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DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXVIII, No. 21 Section 1 January 26, 1928.

D.C. FARMERS' MARKET LEGISLATION

The press to-day reports that the Stalker bill authorizing purchase of the Southwest site for the farmers' produce market was reported favorably to the House yesterday by the House District committee. The Stalker bill authorizes $300,000 for purchase of the Southwest site, which is bounded by Tenth, Eleventh, G and E Streets southwest.

PERSHING ON WATERWAYS

Development of inland waterways as a means of aiding agriculture was urged yesterday by General John J. Pershing in an address before the Chamber of Commerce, Kansas City, Mo. The great central part of the country, the General said, had been placed at a disadvantage by the building of the Panama Canal, and cheaper transportation was needed. "The obvious remedy," he said, "is to open our water courses to the sea through which the farmer and manufacturer may have more economical access to the seaboard and also to the adjacent home markets. We have encouraged the increase of agricultural production but we have not given consideration to the resulting competition among farmers," he declared. (A.P., Jan. 26.)

RESERVE BANK CUT REACTION

The Associated Press to-day reports from New York: "One billion dollars was written off the quoted values of securities listed on the New York Stock Exchange yesterday by the sweeping reaction inspired by the unexpected raising of the Chicago Federal Reserve Bank rediscount rate. The decline, which ran from $2 to $8 a share in the active issues, was an orderly one, and the day's sales, which ran above 2,750,000 shares, were not unusually large. Recoveries reduced many of the earlier losses, and in a few instances, particularly in the public utility group, sent stocks to new high records. Heavy liquidation of stocks undoubtedly was influenced by the rather general belief that the higher Chicago rate was intended, at least in part, as a warning against a further expansion of speculative credit. ..."

CANDY CONSUMPTION

In a survey of this country's candy consumption in 1926, issued yesterday by the Department of Commerce, it is stated that 1,023 manufacturers, representing about 80 per cent of the candy-makers of the Nation, showed total candy sales in 1926 of 1,083,399,754 pounds, valued at $258,251,562. This was at a rate of about nine pounds for every man, woman and infant at an average per capita cost of more than $2. The 1926 consumption showed a $10,000,000 increase in candy value over 1925, when the same manufacturers produced 1,012,834,676 pounds, valued at $248,883,257.

Section 2

Agricultural Ascendancy

An editorial in Implement & Hardware Trade Journal for Jan. 21 says: "...No longer is it necessary for us to persuade ourselves through the medium of pure logic that the farm is due for a come-back. The recovery has already set in. Agricultural land is again regarded as a desirable investment. Here and there, quietly, some farms are changing hands. The shrewd buyer with capital now sees his opportunity in farm land. Secretary W.M.Jardine of the United States Department of Agriculture permitted himself to emphasize this tendency in a recent statement. What has been called 'the new day for the farm' is here. And those who purvey implements and hardware are sure to share the benefits with the farmer. Among other things, this new day for the farm means that the farmer has adopted a new standard of living and producing. He is determined to keep costs down in order to keep profits up. Modern farm equipment is his best cost-reducer. More and more, he is going to demand the same conveniences and comforts as the city man. Running water; radio; electric lights; good furniture; paint; household utensils and appliances; clothing; real vacations; cars; reading matter. Those things are not merely luxuries. They mean a different attitude toward life on the part of the farmer. But what must lie back of them? Without power equipment, without feed grinders, without cream separators, without poultry supplies, without dairy accessories, without manure spreaders, without those tools and machines which, when properly used, create wealth, the farmer can no more hope to have the other desirables which mean so much to his way of living than he can hope to improve his condition by pulling hard on his boot-straps. Along with the business man, the farmer has had his lesson. The only way for him to reduce costs is to take the short cut. But he can't do that without equipment. The business man can't do it without intensive organization. The farmer who stuck to his farm is beginning to reap the reward for his perseverence. The man who went from the farm to the city not so long ago now sees the farm in its true perspective. It looks better to him than it ever did...."

America's Educational Need

Newton D. Baker, writing in The World's Work for February says: "America is the richest and most powerful Nation in the world. With the adding years her riches have multiplied and her power increased until, from an industrial point of view, we are the highest expression yet attained of human efficiency. But progress is rarely uniform and those who watch the current of our modern life can not fail to note that we are creating faster than we are assimilating. To use great wealth and power wisely, we must constantly build up a body of tradition that will spur or restrain, as the need may be, those who control such forces....As our industrial processes have developed, they have demanded a higher degree of common education and we have responded by increasing educational opportunities, until each year five hundred thousand boys and girls are graduated from high schools with a rough equivalent of what their grandfathers knew as a college education, while our colleges turn out each year with bachelor degrees about one hundred thousand men and women. To each individual who thus graduates, his education is, of course, added efficiency in the business of making a living and perhaps capacity for more enduring satisfactions in the conduct of his personal life....In our father's day a college education was a concrete and

definite thing, and college-educated men and women had not only an equal but the same body of common knowledge. In our day electives and specializations have so diversified the possibilities of education that men rarely have identical educations and, therefore, rarely have any consciousness of academic identity in the general mass of educated persons. For these reasons and others, we have not as yet built up an adequate social basis of habit and tradition to sustain easily the industrial structure that produces our wealth and power. Our educated and cultured people seem voiceless and scattered. They do not have the common impulse to make their weight felt at the points of social disintegration and danger. The consequence of all this is apparent. We see great and cultured cities captured by demagogues; mayors and even governors convicted of corruption in office; great public questions discussed in passion and decided on prejudice, while individual educated men look on in sorrow...."

Flour Consumption Flour consumption in the United States has apparently remained fixed for the last decade, according to a survey on "Statistics of American Wheat Milling and Flour Distribution" by the Food Research Institute of Stanford University, Calif. The institute says that it appears that the severe decline in consumption of flour per capita amounting to more than 20 per cent since 1914, took place in two stages: A steady decline of about 11 per cent between 1914 and 1917, and a further decline of about 10 per cent in the last six months of 1917. Since 1918 the rate of consumption has been practically constant, at about nine-tenths of a barrel per capita.(Press, Jan. 25.)

Meat Grading An editorial in Western Breeders Journal for Jan. 15 says: "The great mass of consumers still know very little of the 'Truth-in-Meat' movement. However, the group of meat buyers known as 'the trade'--hotels, retailers, steamship lines and railroad companies--know vastly more about it than they did a couple of years ago. Are these people willing to take advantage of the grading and marking of beef? Are they ready to make use of a system that guarantees their receiving the kind of stuff for which they pay? The answer is an emphatic 'Yes.' Some of them are calling for the service loudly--and in vain. Indeed, the present difficulty seems to be a totally inadequate number of official graders--plus a possible lack in the quantity of really high-grade beef now available....The present arrangement for grading and marking has been extremely limited, both by the voluntary nature of the work so far as the packers are concerned, and the very small number--ten--of Government men available to handle the grading. Yet in spite of the pronounced limitations thus imposed there is no question that producers have already benefited substantially. Mr. R.H.Pollock, general manager of the National Live Stock and Meat Board, who is well acquainted with the action of the markets, expressed the belief at Kansas City that the work thus far done has had a decided bearing on the advance in the price of the better grades of beef in the last few months. The results now observable do away with any doubt as to the value of the 'Truth-in-Meat' movement and point the way clearly to renewed effort in developing and expanding the system now in operation on a small scale along the lines suggested by this Journal during the last two or three years."

Section 3

Department of Agriculture

An editorial in Western Breeders Journal for Jan. 15 says: "That useful official of the United States Department of Agriculture, Chris L. Christensen, who is in charge of the Division of Cooperative Marketing, recently spent several weeks looking over the agricultural cooperatives of the West, and when he got back to Washington he made a report that indicated that he was very well pleased with what he saw. His first observation was to the effect that members and officials of farm cooperatives are really getting down to fundamentals. ...The farmers of the West who have gone into business through their cooperatives are now studying 'better production, better grading and standardization, efficient management and skillful adjustment of supply to markets;' all of which is highly gratifying to this Journal inasmuch as we have been talking in just that language for a long time. A second, and very interesting, observation of Mr. Christensen's is that cooperatives are actually picking and choosing their members. ...If the producers will continue fighting it out along that line they won't have much time or use for so-called 'relief' legislation."

Section 4

MARKET QUOTATIONS

Farm Products

Jan. 25: Livestock quotations on slaughter steers, $14.50-$18.25; cows, good and choice, $8.75-$11.50; heifers, $11.75-$13.75; vealers, $12.25-$15.50; feeder and stocker steers, $10.75-$12.75; heavy weight hogs, $8-$8.25; slaughter lambs, $13.50-$14.25; feeding lambs, $12.25-$13.75.

Maine sacked Green Mountain potatoes, $2.05-$2.25 per 100 pounds in eastern cities; few sales at $1.75 f.o.b. Presque Isle. Wisconsin sacked Round Whites, $1.45-$1.55 carlot sales in Chicago; $1.35 f.o.b. Waupaca. New York Baldwin apples, $6.50 per barrel in New York City; cold storage stock, $6.25-$6.50 f.o.b. Rochester. Michigan Spys and Greenings, $9-$11 in Chicago. Florida pointed type cabbage, $1-$1.75 per 1½ bushel hamper in eastern markets. New York Danish type, $8-$15 bulk per ton in city markets; $7-$8 f.o.b. Rochester. New York and midwestern yellow onions, $2.25-$2.65 sacked per 100 pounds in consuming centers; $2.25-$2.30 f.o.b.

Average price of Middling spot cotton in 10 designated markets declined 6 points to 17.86¢ per lb. March future contracts on the New York Cotton Exchange declined 6 points to 18.05¢, and on the New Orleans Cotton Exchange they were down 2 points, closing at 17.84¢. On the Chicago Board of Trade March futures declined 3 points to 17.82¢.

Grain prices quoted: No.1 dark northern spring wheat at Minneapolis $1.56¼-$1.62¼. No.2 red winter at Chicago $1.42½; Kansas City $1.44-$1.48½. No.2 hard winter wheat at Chicago $1.30; Kansas City $1.27-$1.28½. No.3 mixed corn, Chicago 87½¢; Minneapolis 79-81¢; Kansas City 78½-80½¢. No.3 yellow corn, Chicago 88¼-88½¢; Minneapolis 83-85¢; Kansas City 78½-80½¢. No.3 white oats, Chicago 54¾-57¢; Minneapolis 50 7/8¢-52 7/8¢; Kansas City 54½-56½¢.

Closing price of 92 score butter at New York was 47¢.

Closing prices of No.1 fresh American cheese at N.Y.: Flats 29-29½¢; Single Daisies 29¢; Young Americas 29-29½¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

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Vol. XXVIII, No. 22 Section 1 January 27, 1928.

WAR FINANCE LOAN LIQUIDATION The War Finance Corporation has nearly completed its task of liquidating the $479,500,000 in loans to farmers and stockmen to aid production during the World War. In its annual report, submitted to Congress yesterday, the corporation said it has remaining on its books about $65,000,000 of liabilities, of which about $2,800,000 are due from war loans. During the year ending Nov. 30, repayments of loans amounted to approximately $21,000,000. (A.P., Jan. 27.)

RICHMOND DISCOUNT RATE The Federal Reserve Bank of Richmond yesterday established a rediscount rate of 4 per cent on all classes of paper. The bank has had a rediscount rate of 3½ per cent, and the increase, effective to-day, brings its rate on a parity with that recently announced for the Chicago bank. (Press, Jan. 27.)

FARM LOAN BOARD A favorable report of the nomination of Eugene Meyer as chairman of the Federal Farm Loan Board was ordered yesterday by the Senate banking committee. The committee also ordered favorable reports on the nominations of George R. Cooksey and Floyd R. Harrison to be members of the board. (Press, Jan. 27.)

ECONOMIC SURVEY PLANNED The press to-day reports that a committee of leading business men and economists has been appointed by Secretary Hoover to supervise a broad inquiry into changes in economic currents of the United States. Their names will be made public later. The cost of the investigation, which will be $150,000 to $200,000, has been subscribed by private persons "to enable the committee," according to an explanation given at the Department of Commerce yesterday, "to pay the expenses of the Bureau of Economic Research of New York to make the fact-finding background." The cooperation of the department will be given in developing the facts to be used in the survey. The committee will include representatives of commerce, banks, agriculture and other equally important groups. Its work is expected to be of value in an effort to spread prosperity uniformly in future years, so there will be no dangerous business recession. "It is proposed," according to a statement authorized by Mr. Hoover yesterday, "to determine facts with regard to such questions as shifts in employment, changes in methods of production in industry and agriculture and in distribution, shifts in relative price levels and profits, movements in the business cycle, shifts in standards of living, foreign trade and foreign credits and other allied subjects which bear upon an understanding of the general business situation of the country. It is expedted that the inquiry will take some months and will be most exhaustive."

Section 2

Merchandising

Charles F. Abbott, executive director of the American Institute of Steel Construction, says: "A few months ago I wrote to, or interviewed, fifty executives who have made merchandising their life work. I asked them for certain specific information with the object of getting a cross section of the sales situation as it existed throughout the United States. On the basis of the replies received from these executives, each of whom represented a different industry, I built up a list of activities which seemed of primary importance in the conduct of a successful and sustained merchandising campaign of a kind calculated to assure the permanent prosperity of the individual concern and the industry as a whole: 1. Use increased care in the selection, training and supervision of salesmen. 2. Base the sales approach upon the service the product will render rather than upon price per unit. 3. Establish equitable relationships between producers and their distributing, or intermediate, industries. 4. Employ research to obtain a true conception of the market, develop new uses, and aid in the cultivation of both old markets and new. 5. Establish and maintain sales prices in accordance with the fundamental law of costs plus a fair profit. 6. Take advantage of the tremendous possibilities offered by the intelligent use of well prepared advertising. 7. Organize the industry on a cooperative basis in order that it may undertake those activities which the individual concern many not be in a position to assume." (Commerce and Finance, Jan. 25.)

Oregon Nut Standards

An editorial in The Oregon Farmer for Jan. 19 says: "Quality of Oregon filberts was excellent this year. There were comparatively few 'blanks,' and the packers' only difficulty was caused by the undried condition of some lots. 'Certainly we have the finest eating filbert in the world,' says Manager W.H.Bentley of the Oregon Walnut Exchange, 'but in order to make it the superior article we want it to be and which we proclaim it, we must deliver it to the customer properly dried...There seems to be no standard to determine when a filbert is cured, and something should be done to establish rules for guiding dryermen, inspectors and association packers who must pass on crops delivered.'"

Pan-American Relations

An editorial in The Wall St. Journal for Jan. 25 says: "Independence, stability, good-will and cooperation, these are the pillars on which Pan America rests. When, at Havana, Charles E.Hughes made this statement he answered all the noisy critics in the United States who labor to create suspicion and distrust in the minds of Latin Americans, and he also gave to the Latin republics a statement of the attitude of the United States towards them. Independence is an ideal for which the American people fought and struggled. They could not seek to deny that boon to others and remain true to their ideals. Their history proves that they are true to the principles for which their ancestors fought. But the great increase in wealth and power of this country has made it easy to create suspicion and distrust in the minds of people of smaller republics. The same thing has been seen in this country in business matters, but the Supreme Court has rightly held that size in a business organization is not immoral. The question is as to what use is made of the great size and strength. What Mr. Hughes has said is a restatement of Mr. Coolidge's declaration that the independence of the smallest republic must be respected...."

Population Density — The new Metropolitan District of New York, with a radius of forty miles from City Hall, has an average density of population of 2,514 per square mile. Its extremes in density of population are on the lower east side of Manhattan with 200,000 persons per square mile, and Somerset County, N.J., with fewer than 200 per square mile. The figures are the result of a survey by the Merchants' Association of New York. The survey shows that the population of the metropolitan district, estimated at 9,500,000, "is more than the population of any other land area of the same size on the face of the globe," and that it exceeds by 1,400,000 the aggregate population of the New England States. On the basis of the last census figures the district includes fifty villages, each with populations in excess of 10,000. There are 275 incorporated cities, villages and towns in the district, and 276 unincorporated urban communities. (N.Y.Times, Jan. 25.)

Reserve Bank Rates — An editorial in The Wall St. Journal for Jan. 26 says: "In the afternoon of Tuesday, January 24, 1928, the Federal Reserve Bank at Chicago announced that its discount rate had been increased to 4 per cent. This may be taken as a gentle admonition to the speculative market for securities, as well as an implication of improving conditions in foreign countries, and a granting of more complete autonomy to the various Federal Reserve banks in the question of discount rates. It is possible also that other Reserve banks later may follow the lead of Chicago. But the move is not to be interpreted as forecasting any material change in the trend of money rates that will affect fixed incomes or have an unfavorable influence upon business...."

Rural Business Stability — Harrison Mc Johnston writes in Commerce and Finance for Jan. 25 on "This New Stability of Business." In this he says: "... There are many major causes for this stability. Among them, the increase in the average size of the business unit operating in this country stands out for special consideration. This change in the nature of business organization throughout the United States has been developing for many years, but the development of larger business units has, since the war, become widespread. Not only have manufacturing and mining units grown larger in size and fewer in number, but also retail mercantile units. One very large general merchandise wholesale firm, for example, which caters mainly to very small retail establishments, including many of the old-time cross-roads stores in the country districts, has experienced a pronounced falling off in the number of accounts it serves. It has had great difficulty in adjusting itself to this change in its market, so rapidly have the small country-town retail stores been eliminated in recent years by the automobile and the hard roads, which have automatically taken the farmers and the small town consumers to the larger stores in the larger towns. To-day, it is only the merchant who is able to build up a large establishment in the small community who can prevent loss of trade to the larger towns in his locality. And we now find, here and there, some very large stores in very small towns, such as the store of Hart Brothers at Long Prairie, Minnesota, which does a million dollars or more of business in a town of about 1,000 population. And there are many others. The men who operate these large stores in small towns have exceptionally good merchandising ability. They maintain adequate sales records and they know the requirements of their trade well enough to buy only merchandise that is readily saleable.

They know all the best sources of supply and are able to have their goods laid down in their stores at lost cost. They are masters of the art of effective advertising in rural communities...."

Sugar Beet Industry

An editorial in The Michigan Farmer for Jan. 21 says: "The sugar beet contracts for the season of 1928 have been published and contracting for acreage has already begun. The price is the same as for last year, the basis being seven dollars per ton at railroad stations and eight dollars per ton delivered at factories by truck or wagon. A change, however, has been made with respect to the labor arrangement. The contract price for labor is $22 per acre where the yield is eight tons per acre or less, and then seventy-five cents per ton additional for each extra ton of yield. The old contract provided for a flat rate of $23 per acre for the labor. Most farmers appear to favor this change. Old beet growers know the influence proper spacing and care have upon the crop and the difficulties in getting the laborers to do the work as they should. They feel that this new contract will prove an incentive to perform this work in a manner that will promote the highest production of beets. At some of the experiment stations the yields of carefully thinned beets have been as much as four tons above the yields of ordinarily thinned beets in the same fields. This graduated labor contract is not new. It has been used by the farmers in the West for several years. From what can be learned, it has found favor there, along the lines suggested above. We hope it will be a forward step in the progress of the sugar beet business here in the East."

T B Testing in Michigan

An editorial in Hoard's Dairyman for Jan. 25 says: "Governor Green of Michigan has ordered the State Department of Agriculture to stop tuberculin testing of cattle in the State until July 1, 1928. Lack of funds to pay indemnities for animals reacting to the tuberculin test is the reason given for issuing this order....A large amount of testing has been done in the the Detroit milk area, but there are still 90 townships in ten different counties untested. Producers in this territory will sustain heavy losses unless ways and means are devised to permit their milk to be sold in Detroit. No State in the Union has made better progress in the eradication of bovine tuberculosis than Michigan, and it has been done at a comparatively small expense. That State now has 49 accredited counties, which means they are practically free from tuberculosis; area work is in progress in 19 counties; eleven counties are on the waiting list; and only four counties have taken no action. Stopping the tuberculosis eradication work means a loss in results already accomplished, disorganization of the force of field inspectors, and the withdrawal of the Federal force from Michigan until such time as the work may again be undertaken...We have States in the Union appropriating as much in one year as Michigan appropriates in four....The eradication of tuberculosis is an investment and the sooner it is done the larger the returns will be on the investment. If the disease would stop spreading during the delay of the work and the producers' market were not disturbed by it, the situation would not be so serious, but the disease continues to spread and the producers' market is taken away...."

Section 3
MARKET QUOTATIONS

Farm Products Jan. 26: Livestock quotations for Chicago on slaughter steers at $14.50-$18.25; cows, good and choice, $8.75-$11.50; heifers, $11.75-$13.75; vealers, $12.25-$15.50; feeder and stock steers, $10.75-$12.75; hogs, heavy weight, medium, good and choice, $7.90 to $8.15; light weight $7.25 to $8.20; slaughter pigs, medium, good and choice, $6.65 to $7.75; slaughter lambs, good and choice, $13.50 to $14.25; feeding lambs (range stock) medium to choice, $12.25 to $13.85.

Maine sacked Green Mountain potatoes sold at $2.05 to $2.25 per 100 lbs. in eastern cities; $1.70 to $1.75 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.45 to $1.55 carlot sales in Chicago; $1.30 to $1.35 f.o.b. Waupaca. New York Danish type cabbage sold mostly around $8 to $12 bulk per ton in terminal markets; $7 to $7.50 f.o.b. Rochester. Texas round type $2 to $2.75 per bbl. crate in leading markets; $1 to $1.20 f.o.b. Lower Valley points. New York and midwestern yellow onions ranged $2 to $2.70 sacked per 100 lbs. in consuming centers; $2.25 to $2.30 f.o.b. New York Baldwin apples brought $6.50 to $6.75 per bbl. in New York City; cold storage stock mostly $6.25 f.o.b. Rochester. New York and Michigan Baldwins $7 to $8 in Chicago.

Closing prices of fresh creamery butter at New York were 92 score, 47¢; 91 score, 46½¢; 90 score, 45½¢.

Closing prices of No.1 fresh American cheese at New York were: Flats 26 to 26½¢. Held Cheese Prices: Flats, 29 to 29½¢; Single Daisies 29¢; Young Americas, 29 to 29½¢.

Grain prices quoted: No.1 dark northern spring Minneapolis $1.56¾ to $1.62¾; No.2 red winter Chicago $1.42½; No.2 hard winter Chicago $1.30, Kansas City $1.25½ to $1.27½; No.3 mixed corn Chicago 85½¢; Minneapolis 79 to 81¢; Kansas City 77 to 79¢; No.3 yellow corn Chicago 88¢; Minneapolis 83 to 85¢; Kansas City 79 to 81¢.

The average price of Middling spot cotton in 10 designated markets advanced 22 points to 18.04¢ per lb.; March future contracts on the New York Cotton Exchange advanced 23 points to 18.28¢, and on the New Orleans Cotton Exchange they were up 18 points, closing at 18.02¢. (Prepared by Bu. of Agr. Econ.)

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Vol. XXVIII, No. 23 Section 1 January 28, 1928.

KETCHAM FARM BILL A week-end House recess prevented introduction of the new Ketcham farm relief bill, which is backed by the National Grange, according to the press to-day. Representative Ketcham of Michigan, a Republican member of the agriculture committee, said last night that his export debenture bill would include two principal features: First, a provision for flexible debentures to be applied according to each commodity situation, and second, a surplus control clause to provide automatic reduction in the debenture rate based on the increase in production of any commodity. Under the former, the minimum debenture would be equivalent to no allowance at all and the maximum would be the tariff duty on the commodity concerned. Under the latter provision, production increases would be judged by the average acreage over five years.

SYDNEY ANDERSON ON FARM RELIEF Sydney Anderson, of Lanesboro, Minn., president of the National Millers' Federation, who appeared before the House agricultural committee yesterday, declared that he approved settlement of the farm problem by legislation, and sanctioned an agency similar to the proposed Federal Farm Board, but said its activities should be limited to organizing and financing agencies to control production and should not be of a commercial or price-fixing nature. (Press, Jan. 28.)

ARKANSAS ROAD BONDS The press to-day reports that a new issue of $13,000,000 State of Arkansas road bonds will be sold in March by the State Highway Commission, according to private advices received at New York yesterday. This financing is in line with the policy of the State to improve its highway system, the first major piece of financing by the State for this purpose being the issue of $13,000,000 bonds sold on June 7 last.

RADIO COMMISSION LEGISLATION Extension of the life of the Radio Commission for another year was proposed in a bill introduced yesterday by Senator Dill of Washington, sponsor of the radio legislation last session. "It is to be hoped," Senator Dill said in a statement issued yesterday, "that by continuing the commission another year, with substantial appropriations, the commission will formulate a definite policy and establish a systematic plan that will improve radio conditions." Chairman Watson of the Senate interstate commerce committee also has asked Congress to extend the commission for another year, and the committee is expected to consider these proposals at an early date. (Press, Jan. 28.)

Approval of the continuation of the Federal Radio Commission and a demand for immediate action on confirmation of Commissioners Caldwell, Pickard and Lafount was voted by the directors of the National Association of Broadcasters at a meeting at Washington, Jan. 26. (Press, Jan. 27.)

Section 2

Colombian Farm Colony

A Bogota dispatch to the press Jan. 27 states that a model farm colony is suggested as the first accomplishment in Colombia's bid for more farmers, and a proposal for its foundation is being considered by the ministry of industries.

Cotton Marketing

Speaking before the recent Southwide Cotton Conference at New Orleans, T.H.Thurmond, cotton ginner of Shreveport, La., advocated the organization of a General Agricultural Board, to direct the marketing of cotton as a solution of the problem of making a profit in cotton production. Mr. Thurmond said: "One of the most important questions is, why does the cotton planter, the grower of the most valuable product on earth, allow others to think for him? Why does he not cooperate as all successful organizations do?...With the lack of cooperation on the part of the majority of the cotton planters, the consumers dictate the price after the 'manipulators' have reduced the price of cotton below the cost of production, the largest portion of the crop having been sold at the lesser price and the 'maw' of the consumer supplied for months to come. President Coolidge stated in his message that the producer would 'have to work out his own salvation.' We can act on the suggestion of the President and elect a General Agricultural Board, with members from each cotton State directly interested in the production of 'Spot Cotton.' Under this plan the cotton planters and cotton ginners will report only to the Agricultural Board of their State...." (Manufacturers Record,Jan.26)

Economic Survey

Interviewed by the press upon the proposed economic survey, announced by the Department of Commerce Jan. 27, Wesley C. Mitchell, director of research of the National Bureau of Economic Research, at New York, said, Jan. 26, that the purpose of the proposed survey of business differed radically from President Harding's motive in calling an economic conference in 1923. "The purpose of the Harding conference," Mr. Mitchell said, "was to learn why things had gone wrong in business following the war. Our work will be to find out why the Nation has done so well economically since 1923. There are some puzzling things in the present business cycle for which economists are unable to account. Since 1923 the Nation has enjoyed an unusual degree of prosperity. It is true that the farmers have not done well, that there have been complaints of unemployment and that profit margins in many lines of business declined during 1927. As a whole, however, the country has been exceedingly prosperous. The anomalous feature in this prosperity is that it has continued in spite of gradually declining prices. Normally, falling prices coincide with periods of depression and rising prices come with periodsof prosperity. Economists are thoroughly at sea in endeavoring to explain the current phenomenon....In an attempt to arrive at an explanation, our research work will embrace the development of new industries, new processes of manufacturing and new methods of marketing, as well as the European situation. Any new development in business during the last five years which might account for the large national income in the face of falling prices will be thoroughly studied...."

Educational Ideals

Hamilton Holt, president of Rollins College, Florida, in writing of his work as "An Adventure in Common-Sense Education," in World's Work for February, says: "...There are two types of professors

now teaching in our institutions of higher learning. The one derives his chief inspiration from knowledge, the other from life. One goes in for research, the other for teaching. The research man, if he really can extend the borderland of knowledge, is so great a benefactor that society can well afford to pay him any price for his intellectual product....But there is not one man in twenty-five on our college faculties that has a genuine gift for research....In my visits to American colleges and universities during the past decade I have usually found that every college or university has one great teacher, some two, rarely any three. I have never found the university that had four or more, though doubtless there are such. I suppose that there are only four or five hundred great teachers in the colleges and universities in the United States, out of the fifteen thousand in the profession. As our faculty expands, I hope to invite only those professors to join our circle who have the nobility of character and the gift of teaching that alone can inspire youth. I shall consider that I have failed as president of Rollins College if I can not find such teachers and bring them here...."

Foot and Mouth in Britain

Country Life (London) for Jan. 14 says: "The unfortunate outbreaks of foot-and-mouth disease in many parts of the country, involving the destruction of a number of valuable herds as well as imposing restrictions on trade in the affected areas, once again raises the oft-repeated statements that little or no progress has been made in conquering this disease. That the cost to the country is considerable is well known, but there is little doubt that the slaughter policy, with compensation, is still the cheapest method of dealing with the disease; though it is perhaps deplorable that the fruits of years of constructive breeding are destroyed so quickly, out of regard for the safety of the majority of the herds in the country...."

McKenna and The Dollar Standard

A London dispatch Jan. 25 says: "The price levels of the world are governed by the value of the dollar, rather than by the value of gold, Reginald McKenna, former Chancellor of the Exchequer, told London financial circles Jan. 24 in his capacity as chairman of the Midland Bank, Ltd., addressing the shareholders at the annual meeting. The value of the dollar, he said, was governed by the policy of the Federal Reserve banks in explaining or contracting credit, instead of by the amount of gold held by the United States Treasury as backing for its currency. He declared that he expected this condition of the 'dollar standard,' rather than a 'gold standard,' determining the world level of prices would continue, inasmuch as America was the chief creditor Nation and hence the magnet of the world's precious metal. The United States, he said, was rich enough either to lose or to gain great sums of gold without affecting the supremacy of the dollar standard as dictated by her central banking policy."

Wages and Prosperity

"Nothing could be more amazing than the amazement Europe continues to feel over American high wages and national prosperity. Of course the key to the problem, as American industrialists know, is in the entirely new basic economic principle now operative in American industry--one that makes the old principles obsolete. That principle, briefly, is simply that wages are logically limited only by production and that so long as production is unlimited there is no logical limit to wages. The natural corollary to unlimited production is

limitless consumption to absorb it. American industry has finally recognized an enormous consuming power in its own wage-earners. It classifies its workers as consumers rather than profit-takers, pays them as much as industry will bear and in turn prospers handsomely in supplying their new and ever-increasing wants resulting from higher standards of living. Thus American high wages and prosperity are both explained, for production and prosperity are so closely allied that they are really one. It seems strange that Europe has so apparently failed to grasp these facts, at least in theory, even though she may be unwilling or unprepared to practice them." (Phila. Ledger)

Section 3

Department of Agriculture

An editorial in Pacific Rural Press for Jan. 21 says: "The crying need, yes, we might say the bellowing need of California's distress crops, is more information regarding the consumption and distribution of the same. The Bureau of Agricultural Economics has a department set up to make this very sort of study for farmers. It makes such studies free of cost to the various States, and has rendered distinguished service to various crops by getting the facts. It just happens that we have in California Burke H.Critchfield, special representative of the bureau, stationed in the West for the purpose of making such studies. He made the fine study of the Oregon and Washington prune, and presented a lot of facts regarding consumer desires and distribution opportunities, which the Northwest is proceeding to make use of. We in California are asking that such a study be made of California prunes, but we are not asking very loud. We might well ask that such a study be made of canning peaches, but the call, if any, is rather weak. In the case of both these crops it is vital to know if we are getting good distribution, if we are presenting our products in the form that the consumer wants, if we are living up to our ideas of quality at the retail end of the line, and if, perchance, we might mend our ways and sell more of them. All these questions could be answered by an intelligent, neutral, frank study made by the Bureau of Agricultural Economics...."

Section 4

MARKET QUOTATIONS

Farm Products

Jan. 27: Livestock quotations at Chicago. Slaughter steers $14.25-$17; cows, good and choice, $8.75-$11.50; heifers, $11.75-$13.75; vealers, $12.25-$15.50; feeder and stocker cattle steers, $10.75-$12.75; heavy weight hogs $7.90-$8.15; light lights, $7.40-$8.30; slaughter pigs, $6.75-$7.85; slaughter lambs, $13.50-$14.25; feeding lambs, $12.25-$13.85.

Average price of Middling spot cotton in 10 designated markets declined 37 points to 17.65¢ per lb. On the same day last season the price stood at 12.99¢. March future contracts on the New York Cotton Exchange declined 36 points to 17.92¢, and on the New Orleans Cotton Exchange they were down 37 points, closing at 17.65¢. On the Chicago Board of Trade March futures declined 37 points to 17.68¢.

Grain prices quoted: No.2 red winter wheat at Chicago $1.44½; No.2 hard winter, Chicago $1.30¼; Kansas City $1.25½-$1.27½. No.3 mixed corn, Chicago 85¢-91¢; Minneapolis 79-81¢; Kansas City 77-79¢. No.3 yellow corn, Chicago 87-88½¢; Minneapolis 83-85¢; Kansas City 79-81¢. No.3 white oats Chicago 54¢-55¾¢; Minneapolis, 50¾¢-52¾¢; Kansas City 55-57¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXVIII, No. 24 Section 1 January 30, 1928.

TARIFF LEGISLATION The press of Jan. 29 reports that the coalition of Senate Democrats and Republican independents is laying plans to attach a tariff bill to the tax reduction measure when it reaches the floor.

The press to-day says: "The threat of another Senate move to force a revision of tariff schedules this session was followed yesterday by a declaration from Representative Tilson of Connecticut, the Republican House leader, against any readjustment of import duties at the present time....'A protective tariff has become what we may call the accepted American policy,' he said, 'so that, while rates may well be changed as conditions change, the policy itself should not be altered or endangered....The tariff is in fact a business matter and any revision of it should be made in as nearly a business manner as possible. It should not be undertaken except under favorable circumstances, because even when carried out under the most favorable conditions there is apt to result some business disturbance...."

ROAD BILL The press to-day reports that a bill to create a special highway fund of $407,341,145 to be allotted to the various States for road improvement will be introduced in the House to-day by Representative Browne of Wisconsin. The measure is sponsored by the American Motorists' Association. The money to be apportioned would come from amounts due to the United States from France on account of the sale of surplus war material. If France makes payment in accordance with present arrangements the debt will be discharged on Aug. 1, 1929.

PAN-AMERICAN FARM PACT URGED An Associated Press dispatch from Havana Jan. 28 says: "A trend toward organization of the Americas into a close co-operative agreement against the competition of the rest of the world in agricultural products and cattle was noted to-day by observers at the Pan-American Conference. First approval to two resolutions tending toward such organization was given by the conference's steering committee. One resolution, presented by Paraguay, requested the conference to advise the Pan-American Union to call a conference of representatives of the agricultural and cattle industries of the American nations to consider methods of cooperation between Government agencies and private enterprises. The other resolution provided for the establishment of a Pan-American agricultural and livestock institute as a permanent commission to secure cooperation among all American countries, and thus enable them to attain a maximum production and to compete successfully with the producing countries of the rest of the world...."

NEW DYE SECRET REPORTED A Melbourne, Australia, dispatch Jan. 28 says: "What is described as a remarkable discovery which is likely to revolutionize the dyeing industry was made public to-day by the Melbourne Herald, which attributes the discovery to G.F.Lloyd of Melbourne, who has been experimenting on the problem for 15 years...."

Section 2

British Cost of Living

At the beginning of November the cost of living in Great Britain was 69% higher than it was in July 1914, according to advices just received by Bankers Trust Company of New York from its British information service. Thus prices stand at the same level as they did in November of 1926, but since June of this year, when the low point of 63% was reached, retail prices have been rising. The average level of prices of the principal articles of food was slightly higher at the beginning of November than a month earlier, mainly due to a seasonal increase of about ½d each in the price of eggs. Milk, potatoes, cheese and fish were also dearer, but there was an appreciable reduction in the price of bacon. In regard to rents, inquiries which have been made into the changes which have taken effect under the Rent and Mortgage Interest Restriction Acts, indicate that the average increase in the rents of working class dwellings between July 1914 and November 1927 was about 51%.

Canners and Food and Drugs Laws

A Chicago dispatch to the press of Jan. 28 reports that the National Canners' Association closed the final session of its twenty-first annual convention at Chicago, Jan. 27, adopting some important resolutions, appointing the standing committees for 1928 and receiving the report of the conference committee. The two most important resolutions had to do with the functions of the food broker and with the indorsement of the Food and Drugs Act. The report says: "The resolution on the Food and Drugs Act reaffirms the association's previous indorsement of the act and its earlier resolution in opposition to any legislation which would weaken the law or make its protection to the consumer less effective. This is thought to have special significance in connection with any attempts at present being made in Washington to change the law, as a copy of the resolution is being sent to members of the committee on interstate and foreign commerce of the House of Representatives, the agricultural committee of the Senate and to the Secretary of Agriculture...."

Distribution and Sales

Dr. Julius Klein, Director of the Bureau of Foreign and Domestic Commerce, in the second article of his series on distribution and sales, in The Magazine of Wall Street for Jan. 28, says:"....The fact that the Southeastern States are predominantly agricultural--over 50 per cent of those gainfully employed being farmers or farm laborers--makes it necessary for the successful sales manager to know a lot about agricultural conditions in this area. Eighty per cent of all the farmers in Alabama, Georgia, North Carolina and South Carolina grow cotton, and it is their principal money crop. No cotton, no money. And so the wise sales manager will familiarize himself with the cotton situation of the different sections before he spends much money to get business.....Again, there are the fruit, nut and truck gardening aspects of agriculture, which put some districts into entirely separate classifications of buying power from the general run. Food and forage crops and livestock also come into the picture that must be a part of the equipment of the sales manager who wants to do a successful business. No other region in the country better illustrates the importance of the manufacturer being in close touch with consumers. The forest industries, of lumbering and naval stores, are second only to agriculture as wealth producers in this region, and,

therefore, any urbanite who rushes into the selling arena of the Southeast without learning something about the sartorial, gastronomic and cultural ambitions of lumberjacks, is likely to get a jolt that will contribute to his comprehension of this great country of ours...."

Dollar Standard An editorial in The Wall St. Journal for Jan. 28 says: "Reginald McKenna, head of the Midland Bank of London, is a bull on America and American methods. He would scrap the British Bank Act and give the Bank of England a more elastic currency similar to our Federal Reserve note. Now, when he says that the American dollar and not gold regulates world price levels his remarks are of more than usual interest. As a result of longer experience, the European banker has learned to fix his eye on price levels as the ultimate objective of any monetary policy. But in America direct credit regulation has been more the guiding consideration with banking authorities. Of course, credit regulation affects prices in the end and it is that which touches the outside world. Therefore, the effect of our Federal Reserve credit policy upon prices has chiefly concerned Mr. McKenna and other European bankers. The London banker's reference to the effect of our credit policy upon world prices is significant in the light of what happened last year. The visit of Governor Norman and other central bank heads was for the purpose of effecting an adjustment of price levels to the advantage of Europe. Our credit policy had somewhat hindered the return to normal of European prices. It was thought that if a period of easy money could be counted on for some time in America it would stimulate prices here, encourage European exports, bring about a rise in the exchanges and a gold movement to the other side....If it is correct, as he says, that our prices become the world's standard prices, still, gold is the fundamental basis of those prices. The present world-wide credit standard represents no new creation in the field of economics. It is the same old gold standard, but given greater effectiveness through a modern banking system."

French Government Revenue French Government revenue from all sources during the month of December 1927, according to official figures transmitted to the Bankers Trust Company of New York by its French information service, totalled 3,340,671,200 francs. This amount includes neither the receipts of the Postal Administration, carried in a separate budget nor the returns allocated to the Autonomous Sinking Fund, which are derived from the Tobacco Monopoly, the 7 per cent first transfer tax and the inheritance tax.

Grain Exchanges An editorial in The Northwestern Miller for Jan. 25 says: "'American grain markets,' said Samuel P. Arnot, newly elected president of the Chicago Board of Trade,' are fundamentally sound. They are more efficient and function with greater economy than at any time. They have passed through an evolutionary period, a stormy period in which machinery has been overhauled to meet new and ever changing conditions.' This is true. The grain exchanges, led by the Chicago Board of Trade, very nearly continued in an attitude of stubborn resistance to the trend of public opinion against excessive speculation in agricultural products. They have not yet fully adapted their methods to preserve their maximum usefulness with a minimum of speculative interest; but this is more because means have not yet been devised

than through lack of willingness on the part of the exchanges themselves. Even now the service to producers and consumers in price stabilization is very much greater than the injury done to either of them by continued employment of farm products as speculative commodities. Yet all of this machinery is on trial before the bar of politics....No study of the existing marketing system, founded on individual enterprise and controlled by competitive activities, has disclosed even one factor of waste or extravagance which would be overcome by any substitute yet proposed."

Lancashire Cotton Trade

A London dispatch to the press of Jan. 28 says: "The Lancashire cotton trade, after months of meetings, parliamentary references, interviews, and newspaper correspondence, finds itself facing one of the greatest of crises, affairs lying between the prospect of reviving trade and the possibility of a bitter labor struggle. The more recent steps toward the present crisis include appeals from the Cotton Yarn Association to its section of the industry to present a united front in the matter of yarn prices; statements from trade experts that the only real remedy for Lancashire's troubles was amalgamations, and the ruthless dealing with those cotton spinning concerns which were operating at a loss; and the realization that four big banks had loaned an aggregate of something like 15,000,000 pounds sterling to 200 'lame duck' mills and were largely controlling them...."

Railroad Income

The press Jan. 28 reports: "The aggregate net railway operating income in December of the first thirty railroads to issue their reports was $22,495,000, as compared with $31,122,000 in the corresponding month of 1926, or a decrease of 27.7 per cent. In November, 1927, the same roads reported a net railway operating income of $36,262,000. Gross revenues of the same roads in December aggregated $166,410,000, as against $188,241,000 in December, 1926, or a decline of 11.6 per cent. For November, 1927, these roads showed a gross of $181,479,000."

Wool Institute Incorporated

The press of Jan. 28 reports that a certificate of incorporation of the Wool Institute was filed at Albany, New York, Jan. 27, pursuant to the Membership Corporation Law, sponsored by men prominently associated with the leading wool goods producers in the country. The headquarters will be established at New York and a director will be appointed in the near future following an organization meeting at which plans for the future will be determined. The report says: "It was ascertained that the Wool Institute will be patterned largely after that of the Cotton Textile Institute, and credit is given President Walker D. Hines and Secretary Sloan of the latter for their cooperation in founding the woolen organization, which is expected to unify sentiment and constructive policies in the industry. The Wool Institute, it was learned, will absorb the work of the National Textile Research Office, which has been conducting statistical research with regard to cloth production, sales and inventories, and Herbert E. Peabody, director of the bureau, will become associated with the institute...."

Section 3

Department of Agriculture

In an editorial on the department's corn borer policy, Ohio Stockman and Farmer for Jan. 28 says: "...Nobody wants or expects the Department of Agriculture to deal with the corn borer indefinitely or to do year after year what it did in 1927. But nobody with whom we have discussed the matter has expected the department, after having made an enormous investment in machinery and built up a large force, to

abandon both and leave the clean-up in a state of anarchy. We do not know whether the sum asked of Congress for the purpose of continuing that work, $10,000,000, is too great or too small. Probably it is more than adequate since so much machinery is now available, but there is no obligation on the part of the department to spend all of it or any more of it than is essential to control the pest until the several States and the farmers in infested areas are in fair position to do what must be done. Neither the States nor the farmers are in such position now, and in the very nature of things they can not be until 1929, possibly not then. Until they have a fair chance to act with proper understanding of the problem, the Department of Agriculture should not lay down its tools or disperse its workmen."

Section 4

MARKET QUOTATIONS

Farm Products Jan. 28. Grain prices quoted: No.2 Red Winter wheat Kansas City, $1.43 to $1.48; No.2 hard winter Kansas City $1.38 to $1.44; No.3 mixed corn Kansas City 77 to 79½¢; No.3 yellow corn Kansas City 78½ to 81¢; No.3 white oats Kansas City 55 to 57¢.

Hog prices: Chicago $7.90 to $8.20 medium, good and choice; slaughter pigs, medium, good and choice, $6.75 to $7.75.

Potatoes nearly steady. Maine sacked Green Mountains $2.10-$2.25 per 100 pounds in eastern cities; $1.60-$1.65 f.o.b. Presque Isle. Pennsylvania sacked Round Whites 10¢ higher at $1.90-$2.10 per 100 pounds in the East. Cabbage markets dull. New York Danish Type $9-$13 bulk per ton in terminal markets; mostly $7-$7.50 f.o.b. Rochester. Florida Pointed type $1.50-$1.75 per 1½ bushel hamper in the East. Onions weaker. New York and midwestern yellow varieties closed at $2.25-$2.75 sacked per 100 pounds in consuming centers; mostly $2.25 f.o.b. Rochester. Apple markets dull. Eastern Yorks $6.25-$6.50 per barrel in Baltimore. Baldwins mostly around $6.25 f.o.b. Rochester, New York.

Wholesale prices of fresh creamery butter at New York were: 92 score, 47½¢; 91 score, 47¢; 90 score, 45½¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 26 to 26½¢. Held Cheese Prices: Flats, 29 to 29½¢; Single Daisies, 29¢; Young Americas, 29 to 29½¢.

Average price of Middling spot cotton in 10 designated markets declined 48 points, closing at 17.18¢ per lb. March future contracts on the New York Cotton Exchange declined 49 points, closing at 17.43¢, and on the New Orleans Cotton Exchange they declined 45 points, closing at 17.20¢. (Prepared by Bu. of Agr. Econ.

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DAILY DIGEST

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Vol. XXVIII, No. 25 Section 1 January 31, 1928.

THE PRESIDENT ON THE BUDGET

President Coolidge, in his address at the semi-annual meeting of the Business Organization of the Government at Washington last night, sounded a warning to Congress against too great tax reduction at this session. He asserted that internal improvements and urgent demands of the Government could not be provided for "if we adopt excessive tax reduction." President Coolidge stressed the importance of rigid economy, if flood control, national defense and other Federal projects were to receive adequate support. He warned the country that "it is far better to have no tax reduction than to have too much." In case there should be no tax reduction, he said, every dollar of surplus might wisely be applied to reduction of the national debt which, he declared, was indirect tax reduction. He insisted that the balancing of budgets had contributed to the present strong financial status of the country and that this ought not to be endangered by departing from such a policy.

To the economic, constructive policy achieved by application of the budget system, which, the President said, had received the hearty support of Congress, in the past five years, he attributed the present financial strength of the Government. This policy, followed rigidly in recent years, he had found, had produced surpluses which had not only permitted three tax reductions and supplied surpluses for a fourth but had made it possible to embark on permanent improvements. Prosperity, he asserted, had resulted from the application of the budget system, and to-day the Nation was in an enviable situation because of the good business management of the Federal Government, which had steadily improved since the installation of that system. At present, the President emphasized, it was even more essential to proceed in an orderly way, so that there might be tax reduction, flood control, internal improvements and adequate national defense. He insisted throughout his speech, in which he gave figures on surpluses and expenditures, that there must be strict economy to keep the budget balanced, afford taxpayers relief from taxation and provide for the improvements now sought.(Press, Jan. 31.)

GENERAL LORD'S ADDRESS

Brig. Gen. Herbert M. Lord, Director of the Budget, also addressed the budget meeting at Washington last night, and told how his organization had effected great savings of public funds. He urged the business organization of the Government to continue its efforts for stringent economy that Federal expenditures for this year may be kept within the $3,000,000,000 mark as they were in 1927. Pointing with pride to the fact that it cost $3,493,584,519 to run the Government in 1927, of which amount $519,554,844 was applied to the public debt, General Lord said that the remaining $2,974,029,674 was all that was used for the ordinary functions of government.

Discussing minor economies, General Lord said: "An employee of the Department of Agriculture devised a contrivance to use glue instead of sealing wax on stoppers of tuberculin test bottles, ... and as a result one man can do the work that required ten under the old method."(Press, Jan. 31.)

Section 2

Cattle Men and Oil Men to Cooperate

An Associated Press dispatch from San Angelo, Tex., Jan. 28 says: "Cooperation in hard times is the principle about which ranchers and oil men of this region are organizing the West Texas Benevolent Society. When the oil business is flourishing and the livestock industry is hit by low prices, an oil man will adopt a rancher and tide him over until times are better. When the oil business is slow and cattle are high, the rancher will return the favor by making the oil man his ward until good times return."

Cuba's Sugar Estimate

An editorial in Facts About Sugar for Jan. 28 says: "As announced in our news columns last week, Cuba's National Commission for the Defense of Sugar, after long deliberation, has made its recommendation as to the production of sugar to be permitted in Cuba during the current campaign and the distribution to be made of the output. President Machado has accepted this recommendation and has given it the binding force of an official decree. Production is not to exceed 4,000,000 long tons. Of this quantity 150,000 tons is allotted to Cuban consumption; 600,000 tons is assigned to the Cuban Export Corporation for sale to countries other than the United States; 200,000 tons is assigned to a reserve which need not be sold during the year and can be sold only on authorization of the President. This leaves out of the crop now in the making, 3,050,000 tons to be sold to the United States, to which is added the carry-over held in Cuba on January 1, stated as roundly 250,000 tons. This decision on the part of the Cuban Government as to the quantity of sugar that the island can send to the United States makes it possible to estimate with much more exactitude than ordinarilly is the case at this stage of the season the extent of supplies available to this market from customary sources during 1928...."

Electricity in Silo Filling

An editorial in The Iowa Homestead for Jan. 26 says: "New things are constantly being developed in the agricultural field and some of them are almost revolutionary in their effect upon methods of management. Now comes the news that a five horsepower electric motor can be effectively used to furnish power for filling silos. This no doubt seems almost impossible to those who for years have used three-plow tractors and even larger power units for this purpose. Yet a number of farmers have tested out five horse-power electric motors and have found them to supply an abundance of power at a remarkably low cost per ton of silage....With electric current for power two men can fill a silo and do it with less man labor than when the work is done in the old way...."

Good Roads Increase Demand

An editorial in The American Review of Reviews for February says: "Far from reaching the point of completion, our good-roads system is apparently in its early stages. Every State in the Union is now extending its network of permanent highways; and many States are entering upon a greater building program for the present year than for any preceding one. Obviously, good roads greatly stimulate popular demand for good cars at low prices. The tendency everywhere is to finance the construction of roads by making those who use the highways pay the costs in the form of a tax on gasoline, together with an annual registration tax. This is a reasonable plan on its face; and it has the advantage of securing rapid results in the way of increased

mileage of well-constructed highways. It would be hard to point to any other single thing that is doing so much to improve rural conditions as the building of good roads by the State itself, out of the special funds procured from automobile and gasoline taxes. Whatever else may or may not be done for the relief of the farmer, he ought to be provided with good roads and good schools. More backward countries are now building modern highways, and this fact is reflected in the growth of the export side of our automobile selling programs. Later, the great Chinese demand will surely set in."

New Mexico Milk Supply — The Children's Bureau of the Department of Labor reports that a traveling milk laboratory, lent to Nex Mexico by the American Child Health Association for two months last fall, made possible the first systematic study of the State's milk supply. Very little of the milk was found to be pasteurized, and there was wide variation in bacterial counts. The State health officer reports a strong sentiment in favor of continuing milk tests by means of a traveling laboratory maintained by the State, which would be especially useful in serving the many small towns which can not afford to maintain laboratories of their own.

Representative Women's Clubs — Ten women's clubs with a membership of more than fifty, and ten clubs with a membership of less than fifty have been selected by the directors of the General Federation of Women's Clubs as being most representative of those all over the country. In selecting the honor clubs, said Mrs. John D. Sherman, president of the general federation, the judges were guided by the annual reports sent to headquarters by each club. The clubs with a membership of more than fifty are: Ebell, Los Angeles; Blue Book Community Club, New Castle, Del.; Woman's Club, Centralia, Ill.; Woman's Club, Chicago, Ill.; Woman's Club, Minneapolis; Woman's Welfare League, Minneapolis; Philomusian, Philadelphia; Women's Civic Club, Duquesne, Pa.; Woman's Club, Rutledge, Pa., and Woman's Club, Kohler, Wis. (Press, Jan. 30.)

Research — An editorial in The Iowa Homestead for Jan. 26 says: "In an address before the Chicago Association of Commerce, Edward J. Mehren, vice president of the McGraw-Hill Publishing Company, after outlining the relation of research work to the general prosperity of the country, said: 'I hold out to you a promise, future industrial success, if you employ research, and I hold a threat, industrial lameness and decay, if you neglect it. Back of the immediate and commercial types of research there must be another type, deeper in character, which is concerned with pushing back the boundaries of the unknown....It is the responsibility of every American business executive to give generous support to cost reduction efforts and to industrial and scientific research.' These significant statements apply equally to agriculture as to industry. It is not enough that our experiment stations study such problems as soil fertility, the breeding of better livestock and crops, plant disease and insect control work and problems affecting the economics of agriculture, but they must also look for facts hitherto unknown, facts, as Mr. Mehren says, that are 'concerned with pushing back the boundaries of the unknown.' With such investigations the farmer is not directly concerned, but he should give such work his sympathetic support. It is to the pure scientist that we must look for pushing back the limits of the khown into the realm of the unknown."

Stock Market An editorial in The Magazine of Wall Street for Jan. 28 says: "The market has shown an increasing sensitiveness to the condition of the money market. With multiplying signs of tighter rates, the speculative community has preferred to wait on the sidelines until the market gives indication of a definite trend. At present, buying and selling forces are so evenly matched as to result in comparatively narrow fluctuations. Volume of transactions recently at the three-million mark have ebbed to around the one and a half million figure, indicating the extent of diminution in market activity. On the whole, prices have lost ground, some of the more volatile issues which had previously registered substantial advances having already lost a good part of their gains. Nevertheless, the decline has been most orderly indicating little pressure toward liquidation...."

Wilcox on New Zealand Dairying E.V.Wilcox, writing on New Zealand farm agriculture in The Country Gentleman for February, says:"...My first and last impression of New Zealand dairying, however, concerns the efficiency with which the business is operated. On land costing $250 to $350 an acre butter is produced at perhaps two-thirds the cost of that in Wisconsin and Minnesota. To my mind this proves two things: The high value of short, vigorously growing grass for milk production and the skill of the New Zealand milk producers. They are high-grade fellows, I can testify to that, with attractive homes supplied with radios, telephones and electric lights. They know the virtues of cooperation, 75 per cent of the dairy business of the Dominion being cooperatively organized. Production has doubled in the past decade. New Zealand is rapidly overtaking Denmark on the London markets. To my eye the average Dominion dairy herd seems to be in poor flesh and for the most part the herds show mixtures of all known breeds, every cow of a different color. I saw only a few purebred herds. The favorite breeds are Jersey, Ayrshire, Shorthorn and Holstein....If you ask a New Zealand farmer about the productive capacity of his cows his answer is never in pounds of milk but always in pounds of butterfat. That's what he sells. The rest goes to the pigs or is thrown away. In 1910 the average New Zealand cow yielded 140 pounds of butterfat. To-day her average is 180 pounds and there are at least 500 herds which average 300 pounds. Herd testing, I was told, is the cause of this increase. Around one cooperative plant I found that over 60,000 cows are annually under test. And in that district, the farms are so well organized that one man is adequate for all the work connected with twenty cows, while two men can handle fifty and three men 100 cows. I doubt if there are many 100-cow farms in the United States where three men can do all the work...."

Section 3

Department of Agriculture Secretary Jardine's Annual Report is quoted at length and reviewed in The Grain Growers' Guide (Winnipeg) for Jan. 16, which says in part: "The report of the Secretary of Agriculture of the United States for the fiscal year 1927 contains some items that should be of interest in this country. One is that the total expenditure of the department for all purposes was over 153 millions for the year. Of this, 47 millions was for regular work and 106 millions for other than regular work. Among the items in the latter classification was nearly 83 millions granted as Federal aid to the States for highway construction....References of Secretary Jardine to the tariff should be of interest to many Guide readers. He reiterates his view that the tariff on agricultural products should insure the home market, but

thinks that an impartial study of the question is needed to correct any discriminations that exists as between different agricultural products and as between agriculture and industry. The tariff, he says, is now substantially benefiting many branches of agriculture and he thinks a study should be made of the manner in which the tariff affects different commodities so that this benefit may be increased... He reiterates his belief that the time is coming when the tariff will be of more importance and more value to agriculture than to industry in the United States, since agriculture is becoming less, and industry more, dependent on foreign markets."

Section 4
MARKET QUOTATIONS

Farm Products Jan. 30. Grain prices quoted: No.2 red winter Chicago $1.44; No.2 hard winter Kansas City $1.38½ to $1.44½. No.3 mixed corn Chicago 84½¢; Minneapolis 80 to 82¢; Kansas City 78 to 80¢. No.3 yellow corn Chicago 86 to 87½¢; Minneapolis 84 to 86¢; Kansas City 79 to 81½¢; No.3 white oats Chicago 54 to 56¢; Minneapolis 50 7/8 to 52 7/8¢; Kansas City 55 to 57¢.

Livestock prices: Steers, good and choice, $14 to $18; cows, good and choice, $8.50 to $11.50; heifers, good and choice, $11.75 to $13.75; vealers, good and choice, $12.25 to $15.50; hogs, heavy weight, good and choice, $8 to $8.35; light hogs, medium to choice, $7.50 to $8.50; lambs, good and choice, $13.60 to $14.50, and feeding lambs, medium to choice, $12.50 to $14.

Maine sacked Green Mountain potatoes ranged $2.15-$2.40 per 100 pounds in eastern cities; mostly $1.65-$1.70 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.50-$1.65 carlot sales in Chicago. New York and Midwestern Yellow onions $2.25-$2.75 per 100 pounds in consuming centers; very few sales $2.25-$2.30 f.o.b. West Michigan points. New York Danish type cabbage closed at $9-$14 bulk per ton in terminal markets; $7-$7.50 f.o.b. Rochester. Florida Pointed type $1-$1.75 per 1½ bushel hamper in the East. New York Baldwin apples $5.50-$7 per barrel in city markets; cold storage stock mostly around $6.25 f.o;b. Rochester. Eastern Yorks $6.50-$7 per barrel in New York City. New York Rhode Island Greenings $9-$11 in Chicago.

March future contracts on the New York Cotton Exchange advanced 11 points to 17.54¢, and on the New Orleans Cotton Exchange they were up 8 points, closing at 17.20¢. On the Chicago Board of Trade March futures declined 6 points to 17.27¢. The average price of Middling spot cotton in 10 designated markets advanced 8 points to 17.26¢ per lb. On the same day last season the price stood at 12.85¢.

Wholesale prices of fresh creamery butter at New York were: 92 score, 48¢; 91 score, 47¢; 90 score, 46¢.

Whole prices of No.1 fresh American cheese at New York were: Flats, 25 to 26¢. Held Cheese Prices. Flats, 29 to 29½¢; Single Daisies, 29¢; Young Americas, 29 to 29½¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXVIII, No. 26 Section 1 February 1, 1928.

UNITED STATES POPULATION The population of the United States will be 123,283,325 in 1930, according to a statement made to the House census committee yesterday by Dr. Joseph A. Hill, assistant director of the Census Bureau. Doctor Hill gave the figure as the bureau's official estimate of the country's population two years hence. He appeared before the committee to urge early action on a pending bill providing funds and machinery to take the decennial census of 1930. (Press, Feb. 1.)

RUBBER RESTRICTIONS According to a London dispatch to-day, the colonial office announces that for the ensuing quarter 60 per cent of the standard production of rubber may be exported from Malaya and Ceylon at the minimum rate of duty. Thus the same restriction remains in force as fixed at the end of last July, and apparently nothing has been done in the way of modifying or abolishing the restriction as for a time was thought possible. The report states that among the rubber interests in London there is a growing feeling in favor of aboliton of the restriction, largely on the ground of the advantage it gives Dutch planters.

RUBBER IMPORTS Crude rubber brought into the United States last year increased nearly 30,000,000 pounds compared with 1926, but the cost fell off $166,000,000, the rubber division of the Department of Commerce announced yesterday. The total gross imports of crude rubber reached 965,991,508 pounds. Including balata, gutta percha and scrap rubber, the total exceeded 1,000,000,000 pounds in 1927 for the first time. The average declared value per pound of all grades of crude rubber imported in 1927 was 35.46 cents, against 54.34 cents in 1925, a decline of 18.88 cents per pound. For India rubber only, the average delcared value per pound declined from 54.57 cents to 35.60 cents. (Press, Feb. 1.)

FRENCH TAX PAYMENTS The total amount to be paid by French taxpayers this year will be at least 58½ billion francs, according to calculations made by Senator Berenger and transmitted to the Bankers Trust Company of New York to-day by its French information service. The entire French budget reaches 63 billion francs, but 4½ billion will be furnished by the German annuities under the Dawes Plan. The remaining 58½ billions is 18½ billion francs more than the amount of revenue France obtained from its citizens in 1925, when the average exchange rate of the franc was a little higher than it is now. The German annuity in 1928 is expected to provide for the payments to France's war creditors, 30 million dollars to the United States and 6 million pounds to Great Britain, making in all about 1½ billion francs; the Rhine Occupation expenses, 578 million francs; as well as for a part of the Autonomous Sinking Fund, 2½ billion francs.

Section 2

British Banks The aggregate net profits of the "Big Five" banks of Great Britain amounted to 11,562,920 pounds in 1927, a decrease of 196,439 pounds or 1.7% as compared with 1926, according to advices just transmitted to Bankers Trust Company of New York by its British information service. With one exception the net profits of each of the banks is on a smaller scale than in 1926; the exception being the Midland Bank whose earnings were .75% larger in 1927 than a year earlier, 2,554,650 pounds in 1927 against 2,535,730 pounds in 1926. Barclays' Bank showed profits amounting to 2,306,320 pounds in 1927--a reduction of over 120,000 pounds or about 5%, while dividends rose about 5,000 pounds to 1,666,300 pounds. Lloyds' Bank showed net profits of 2,475,670 pounds as against 2,523,582 pounds in 1926, and their dividends remained at 1,973,800 pounds. The National Provincial results showed a slight reduction--1%--in net profits, to 2,093,450 pounds from the 1926 figure of 2,115,650 pounds. Dividends here too remained at the same figure as in 1926; namely, 1,706,295 pounds. The net profits of the Westminster Bank decreased 1%--from 2,157,230 pounds in 1926 to 2,132,800 pounds in 1927, and dividends amounted in both years to 2,614,790 pounds.

Dairy Industry in South An editorial in Dairy Produce (Chicago) for Jan. 24 says:"... It is not the part of the plan in the South to get rid of cotton farming. The South will continue to grow cotton, but it must get away from the one-crop plan of farming....The South, according to reports, is making a correct start. It is easy for promoters of creameries, cheese factories, and condenseries to get concessions from town and State governing bodies. Legislatures are favoring the plans of the dairymen in helping to build up a dairy industry and legislators are in the mood to give the dairy industry every encouragement possible with a State governing body....Along with encouraging the dairy industry the South is taking up the matter of nutritive value of dairy products. Increased consumption of dairy products must go along with expanding the dairy production and that point is therefore not being overlooked. Still there is danger of overdoing dairy expansion. Condenseries and cheese factories are being established more rapidly than butter factories and there is a danger of building these plants, or some of them, before the cows are on hand to provide enough milk for profitable operation....For success the South will have to get into winter dairying. Just now, according to our information, cows in the South generally are dry, whereas because of the hot summers, milk production should be at its flush at this time...."

Farm Prosperity An editorial in The Wall St. Journal for Jan. 31 says: "Recalling the persistent complaint of the farm belt during the past several years that prosperity has been unevenly divided as between industrial and agricultural sections, it is worth while to note indications of a progressive shifting of the frontiers of wellbeing...Just now the most conspicuous features of the business scene are the revival in steel and the rising activity of the automobile makers. These appear to contradict what has just been said, but one of the leading factors in steel trade improvement is the farm demand for steel products. It is shown in farm implements, the output of which is declared to be 10 per cent above the large production of a year ago. Other forms of steel for farm use are in demand, including tin plate for cannery purposes. Railroad freight loadings likewise reveal greater

vigor in the farm belt than in the industrial East. Only the granger roads are at or near last year's level of traffic, though on all roads freight business is relatively better than it was in December....It goes without saying that good or better times in a portion of the United States sooner or later spread in some degree throughout the whole. A more nearly even balance of activities and profits as between the farming and industrial divisions of the population is altogether desirable, particularly since it appears that American manufactures are to meet increasing competition in foreign markets...."

French Foreign Trade — France's foreign trade returns for November, according to official figures transmitted to the Bankers Trust Company of New York by its French information service, although they continue to give a favorable balance of exports over imports of 238,761,000 francs, show a slight decline in value when compared with November 1926. Exports amount to 4,870,540,000 francs (3,215,958 metric tons), as against 5,388,104,000 francs (2,698,662 metric tons) during the corresponding month of last year, and imports to 4,631,779,000 francs (3,809,621 metric tons) compared with 4,974,582,000 francs (3,472,307 metric tons) in November 1926. For the first 11 months of 1927 exports show a decline, the total value being 50,204,377,000 francs and 34,627,731 metric tons (54,306,879,000 francs and 29,693,107 metric tons for 1926) due to a decline of 35,862,000 francs in exports of raw materials and 4,326,118,000 francs in those of manufactured goods. Exported foodstuffs, on the other hand, increased from 4,508,710,000 francs in 1926 to 4,768,188,000 during this year.

Government and Business — An understanding between Government and business as to the part each shall play in the evolution of national economic policy was predicted by Alvin E. Dodd, manager of the domestic distribution department of the Chamber of Commerce of the United States. ~~[illegible]~~ "It is rapidly becoming apparent," said Mr.Dodd, "that Congress as well as the administration is willing to let business manage its own affairs so long as it keeps its house in order, and business, on the other hand, is setting up its own standards and beginning to regulate its own activities. Very definite steps are being taken in this direction, the effects of which will be felt sooner or later by every business man whether his dealings cover only a restricted neighborhood or the entire United States...." In the opinion of Mr. Dodd, the small town merchant and the country general store keeper who are alert and keep abreast of the changing conditions need not fear the competition of merchants in the large cities, and house-to-house canvassing and mail order business. Intelligent merchants in the small towns, he said, not only survive but prosper under conditions which injure or destroy the business of those who are less alive to opportunity.

Tobacco Taxes — "The total revenue received by the Treasury Department from taxes on manufactured tobacco of all kinds, other than that used in the factory-made cigarettes and cigars, for the calendar year 1927, was only $70,940,673.84, while cigarettes paid into the Treasury in taxes the comfortable sum of $291,620,773.46. This is greater by more than $23,000,000 than the cigarette revenue during the preceding year. ..."(Press, Jan. 28.)

Wool Market The Commercial Bulletin (Boston) Jan. 28 says: "The demand for wool in seaboard markets is less active but prices are fully maintained, with the tendency still against the buyer. In the West the demand also is less heavy but prices are tending, if anything, upward still. Foreign markets are buoyant and prices decidedly firm both in London and in the primary markets. The trade is awaiting with interest the initial opening of heavyweight lines by the American Woolen Company on Monday."

Section 3

Department of Agriculture

1 An editorial in Wallaces' Farmer for Jan. 27 says: "Fat cattle are now 100 per cent above pre-war, which puts them above the price of most things which farmers buy. Profits on fat cattle during the past few months have been far greater than before the war, because of the cheap price of corn. If corn prices were as high as they should be, fat cattle profits would not be so far out of line. Secretary Jardine, in speaking of the cattle situation in late December, said: 'This year, for the first time since 1920, cattle men as a whole have received fairly remunerative prices for their cattle. In the other six years, cattle prices were so low most of the time that large numbers of producers were forced out of business, and cattle numbers have been drastically reduced....This was a situation which should have been of vital interest to the consuming public. As long as cattle prices were low and beef cheap, however, consumers were unconcerned as to the hardships of the cattle industry or as to the future of the beef supply. Consequently, the situation was allowed to work itself out through the uncontrolled action of economic forces, with the result that the reduction in herds probably went too far and cattle slaughter for the next few years must be reduced far below the average of that of the last five years, if the cattle business is to be reestablished on the basis where the number of animals slaughtered does not exceed the number of young animals raised.' This is a statesmanlike utterance....Secretary Jardine might easily paraphrase his statement as above given to read: 'As long as food prices were low, however, consumers were unconcerned as to the hardships of the farmer or as to the future of their food supply. Consequently, the situation was allowed to work itself out through the uncontrolled action of economic forces, with the result that too many farmers were forced into the cities. And the time must inevitably come when city folks will have to pay what seems to them like an unreasonably high price for their food.'...."

2 An editorial in The New York Times for Jan. 31 says:"...In the main there is little to contradict the prediction of the Bureau of Agricultural Economics that the outlook for 1928 is encouraging. It warns against expansion and preaches diversification. It prophesies a large wheat crop throughout the world. Each principal staple is discussed, and the expected markets are forecast. While not unduly rosy, it is a picture which ought to cheer up the unhappy farmer. One of the encouraging things about this sort of survey is the extent to which it is studied by farmers themselves. Thanks to the work of the agricultural colleges, and to the various farm bureaus and experimental stations, there is a growing tendency on the part of the farmer to consider himself as something more than a mere producer. Until comparatively recently he had little interest in his crops after he had sold them; he studied production but not marketing. The cooperatives

have done much to change his point of view. In time we shall see greater skill in using information from all parts of the country--and from the world's market forecasts--which should do much to stabilize production...."

Section 4

MARKET QUOTATIONS

Farm Products Jan. 31. Maine sacked Green Mountain potatoes ranged $2.15-$2.45 per 100 pounds in eastern cities; $1.65-$1.75 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.50-$1.65 carlot sales in Chicago. New York and Midwestern sacked yellow onions closed at $2.25-$2.75 per 100 pounds in consuming centers: top of $2.90 in Baltimore; $2.25 f.o.b. Rochester. New York Baldwin apples $5.50-$7 per barrel in city markets; mostly around $6.25 f.o.b. Rochester. Eastern Yorks $7-$7.25 in New York City. New York Rhode Island Greenings $9-$11 in Chicago. New York Danish type cabbage $9-$14 bulk per ton in terminal markets; $7-$7.50 f.o.b. Florida Pointed type $1-$1.75 per 1½ bushel hamper in the East.

Grain prices: No.1 dark northern spring wheat Minneapolis $1.57 1/8 to $1.74 1/8. No.2 red winter Chicago $1.45; Kansas City $1.43 to $1.48. No.2 hard winter Kansas City $1.38 to $1.43½. No.3 mixed corn Chicago 86½¢; Minneapolis 80 to 82¢; Kansas City 78½ to 81½¢. No.3 yellow corn Chicago 87½ to 88¼¢; Minneapolis 84 to 86¢; Kansas City 80 to 82½¢. No.3 white oats Chicago 54½ to 57¼¢; Minneapolis 51 1/8 to 53 1/8¢; Kansas City 55 to 57¢.

Livestock prices quoted Chicago: Steers, good and choice, $14 to $18.25; cows, good and choice, $8.40 to $11.50; heifers, good and choice, $11.75 to $13.75; feeder and stocker steers, common and choice, $10.50 to $12.50; hogs, good and choice, $8 to $8.35; for heavy and lights, medium to choice, $7.65 to $8.55; lambs, good and choice, $13.85 to $14.75; feeding lambs, medium to choice, $12.75 to $14.35.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 25 to 26¢. Held Cheese Prices: Flats, 29 to 29½¢; Single Daisies, 29¢; Young Americas, 29 to 29½¢.

Wholesale prices of fresh creamery butter at New York were: 92 score, 48¢; 91 score, 47¢; 90 score, 46¢.

March future contracts on the New York Cotton Exchange advanced 11 points to 17.65¢ and on the New Orleans Cotton Exchange they were up 11 points, closing at 17.39¢. On Chicago Board of Trade March futures advanced 17 points to 17.44¢. The average price of Middling Spot Cotton in 10 designated markets advanced 11 points to 17.37¢ per pound. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

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Vol. XXVIII, No. 27 Section 1 February 2, 1928.

CIVIL SERVICE LEGISLATION The Lehlbach civil service retirement bill had been personally indorsed by 63 members of Congress when the House civil service committee concluded its second hearing on the measure yesterday. The final hearing on the bill will start this morning. The bill, drafted by Representative Lehlbach, of New Jersey, the chairman, would make retirement optional with the employee after 30 years of service and would increase the maximum retirement annuity from $1,000 to $1,200. The prospect is that the bill will be amended so that an employee may retire at the end of 30 years only if he or she has reached a certain age, probably 60. (Press, Feb. 2)

MCFADDEN BANK BILL Amendment of the Clayton anti-trust act to remove present restrictions upon interlocking directorates of banking institutions associated with the Federal Reserve System is proposed in the McFadden bill as passed by the House yesterday. According to Representative McFadden, chairman of the House banking and currency committee, the proposed law is designed to enable the Federal Reserve Board to administer the regulation of interlocking bank directorates more effectively and more in harmony with the intent of Congress as set forth in the so-called Kern amendment to the anti-trust act.(Press, Feb. 2.)

MUSCLE SHOALS The Norris resolution providing for Government operation of Muscle Shoals was approved by the Senate agriculture committee, yesterday, according to the press to-day.

FLOOD CONTROL HEARINGS END The longest and most comprehensive study of the problem of curbing the Mississippi Valley floods ever made in Congress was brought to an end yesterday when the House flood control committee completed its hearings, which have been in progress for the last three months, according to the press to-day. The report says: "A huge mass of information was accumulated by the committee, including 2,000,000 words of testimony from more than 300 witnesses and an additional 2,000,000 words in documents, plans and reports placed in its record. Among the witnesses were a Cabinet member, senators, representatives, State governors and leading Army engineer officers, civilian engineers and scientists."

BUSINESS FAILURES The New York Times to-day reports: "There was a seasonal increase in the number of commercial failures in the United States in January, according to R.G.Dun & Co., the high point of each year invariably being reached in the opening month. With a total of 2,643 failures, the latest returns show an increase of more than 22 per cent in comparison with the 2,162 defaults of December and a rise of a little more than 7 per cent from the 2,465 insolvencies of January, 1927. The number of failures is the largest since January, 1922, when the total was 2,723, but the present liabilities of $47,634,411 have been exceeded on many occasions in the last five years."

Section 2

Business Conditions The National City Bank of New York says: "The trend of industry and trade has been towards betterment since the first of the year, the chief evidences of this being in the automobile and steel industries....With the automobile industry on the upgrade of activity, the steel business has been favorably affected. Larger orders by automobile interests and substantial railroad buying of rails and rolling stock late in December were reflected in an increase of 518,430 tons in the unfilled orders of the Steel Corporation and general buying in January has kept up at a good rate for this time of year....Outside of these two major lines, business shows more irregularity. On the whole, however, the trend has been forward, and the outlook for spring trade is appreciably brighter....The cotton spinning industry, whose activity last year tended to sustain business in the face of declines in the heavier industries, is now undergoing curtailment as the result of overproduction. Thanks to the information now available to the industry in both sections through the offices of the Cotton Textile Institute, the mills have been apprised of the accumulation of goods and have been enabled to take steps to avoid the serious overproduction which in the past has usually followed periods of unusual activity such as the last year...."

Cooperative Marketing Schools An editorial in The Prairie Farmer for Jan. 28 says: "The Indiana Farm Bureau Federation, with commendable foresight, has established 10 hight schools devoted to instruction in cooperative marketing. Five of them began operations only recently, after the value of the plan had been demonstrated. The class in each school meets one night a week for 10 weeks. It would be hard to overestimate the possibilities of the undertakings. An opportunity is supplied not only for learning about problems common to joint sales effort everywhere, but circumstances and conditions peculiar to localities can be analyzed and discussed with a view of avoiding local mistakes in the disposal of agricultural commodities. A tendency exists in other lines of business to assert, in private conversation at least, that farmers are not enough concerned about working together for their own good to justify Federal assistance in improving their selling system. What is happening in Indiana is an effective reply to such assertions."

Cotton Conference Call for a conference of Governors of the cotton producing States to form a militant organization for a general reduction in cotton acreage has been made by Governor Dan Moody of Texas. The conference will be held at Jackson, Miss., on February 20. Governors Graves, Alabama; Hardman, Georgia; Johnson, Oklahoma; Simpson, Louisiana, and Bilbo, Mississippi, have already signified their intention to attend. Thirteen prominent members of the New Orleans Cotton Exchange sent Governor Moody a telegram commending the proposal. (Commerce and Finance, Feb. 1.)

French Population The census held a year ago in all the French colonies has just been published, revealing that there are slightly more than 100,000,000 souls living under the tricolor. France herself has a little more than 40,000,000 population. Algeria, Tunis and Morocco have a combined total of 12,454,000, of whom there are more than a million Europeans. Indo-China adds 20,000,000 and the great French territories forming a belt through the middle of darkest Africa are inhabited by almost 20,000,000 negroes. French West Africa counts another 13,000,000. While the population of France remains rather

stationary, the inhabitants of all the colonies are increasing. If the present rate of increase is maintained, their population will double itself in 50 years. (A.P. Jan. 31.)

French Silk Cocoon Production

France's production of silk cocoons during the year 1927, according to provisional figures just published by the French Ministry of Agriculture and received by the Bankers Trust Company of New York, totaled 3,612,103 kilograms as against 3,173,016 in 1926 and 4,423,046 in 1913. The number of silkworm growers was 70,254 as against 67,526 in the preceding year and 90,517 in 1913. The total value of the year's output amounted to 85,200,969 francs or 15,003,401 francs less than in 1926. In 1913 the value of the output was 15,655,016 francs.

Russian Conditions

Irving T. Bush is the author of an extensive article on conditions in Russia in The Outlook for Feb. 1. In this he says;"... A few weeks ago I left Russia...Although the Russian ship of state sails on, the ship of Communism is slowly sinking despite the frantic efforts of the crew. Captains are changed and mutinies quelled. It does no good. Some day the sails will be trimmed and a course set upon charted seas....I return from Russia with a queer mixture of sympathy for the people of Russia, appreciation of the courtesy of the Soviet leaders with whom I disagreed so completely and so frankly, and an amused tolerance at their frantic efforts to make everybody believe that they are getting ahead when they are really just splashing the water and rowing around in a circle....Russia is a land of bewildered leaders, untrained in the economics of leadership, still struggling to establish a theory of government which has already failed. It has failed because it runs contrary to the fundamentals of human motives....There is not an evidence of a single Communistic success in Russia. As a Government, it wabbles uncertainly upon a base of stolid individualism--the peasant....These kindly people have borne the burdens of Russia, have produced its wealth and fought its wars. They comprise eighty-five per cent of the Russian people. In matters of politics peasant Russians are yet inarticulate. They do not much care who governs them so long as they are let alone and given the fruit of their toil. Communism knows this, and leaves them alone. They do not own their farms quite as we own our land, but in the essence it is the same. The peasant is an individual controlling his farm and working for himself as an individual. Upon this foundation a bewildered Communism has floundered and failed. Its fault was not in its first purpose, but in its practice--because its practice was impracticable. It attempted industry. Industry is business, and Communism disregarded all the economic laws upon which business success must be built....The outside world is told of great economic progress in Russia. It is true that factories, idle a few years ago, have been put in operation and production increased. Their output is on sale, but at prices exorbitant by outside standards. They talk of exports, but the chief articles of export are the product of individualism--the peasant. The Government, it is true, exports oil. That is a simple process--pumping oil nature has provided. The operation is very free from the complications of modern industry...I credit the Communist leaders with a sincere desire to help their people; but I debit them with abysmal ignorance of the simplest economics and a fanatical intent to prove the success of a theory which has failed so completely that it should be apparent to a child...."

Section 3
MARKET QUOTATIONS

Farm Products Feb. 1. Livestock prices quoted at Chicago: Steers, good and choice, $13.75 to $18.25; cows, good and choice, $8.25 to $11.50; heifers, good and choice, $11.75 to $13.75; vealers, good and choice, $14 to $16.50; feeder and stocker steers, good and choice, $10.50 to $12.50; hogs, heavy weight, good and choice, $7.90 to $8.30; lights, medium to choice, $7.50 to $8.35; lambs, good and choice, $14 to $15; feeding lambs, medium to choice, $13 to $14.50.

Grain prices: No.1 dark northern spring wheat Minneapolis $1.57¾ to $1.64¾. No.2 red winter Chicago $1.45½; Kansas City $1.43 to $1.48. No.2 hard winter Kansas City $1.38 to $1.43½. No.3 mixed corn Chicago 87¢; Minneapolis 80½ to 82½¢; Kansas City 78½ to 81½¢; No.3 yellow corn Chicago 89¢; Minneapolis 84½ to 86½¢; Kansas City 80 to 82½¢; No.3 white oats Chicago 54½ to 56¾¢; Minneapolis 51¼ to 53¼¢; Kansas City 55 to 57¢.

Maine sacked Green Mountain potatoes $2.10-$2.45 per 100 pounds in city markets; mostly $1.70-$1.75 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.50-$1.65 carlot sales in Chicago. Florida Pointed Type cabbage $1.25-$1.50 per 1½ bushel hamper in the East. New York Danish type ranged $10-$15 bulk per ton in terminal markets; mostly $7-$7.50 f.o.b. Rochester. New York and Midwestern yellow onions ranged $2.25-$2.90 sacked per 100 pounds in consuming centers; mostly $2.25 f.o.b. Rochester. New York Baldwin apples $5.50-$8 per barrel in city markets; mostly $6.25 f.o.b. Rochester. New York Rhode Island Greenings $9-$11 in Chicago.

March future contracts on the New York Cotton Exchange declined 40 points to 17.25¢, and on the New Orleans Cotton Exchange they were down 32 points, closing at 17.07¢. On the Chicago Board of Trade March futures declined 35 points to 17.09¢. The average price of Middling spot cotton in 10 designated markets declined 43 points to 16.94¢ per lb. On the same day last year the price stood at 12.97¢.

Wholesale prices of No.1 fresh American Cheese at New York were: Flats, 25 to 25½¢. Held Cheese Prices. Flats, 29 to 29½¢; Single Daisies, 29¢; Young Americas, 29 to 29½¢. Wholesale prices of fresh creamery butter at New York were: 92 score, 48¢; 91 score, 47¢; 90 score, 46¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

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Vol. XXVIII, No. 28 Section 1 February 3, 1928.

FARM LOAN MEMBERS CONFIRMED The nominations of Eugene Meyer, George R. Cooksey and Floyd R. Harrison to be members of the Federal Farm Loan Board were confirmed yesterday by the Senate, according to the press to-day.

RADIO COMMISSION The Senate interstate commerce committee yesterday favorably reported the bill of Senator Dill to extend the life of the Federal Radio Commission for another year after March 15, according to the press to-day.

RESERVE BANK RATES The rediscount rate of the New York Federal Reserve Bank yesterday was increased to 4 per cent, the first change since August 5, when it was lowered to 3½, according to the press to-day.

LINDBERGH ON AIR ROUTES Col. Charles A. Lindbergh, writing from San Juan, says:/ "The distance between St.Thomas and Porto Rico, is only eighty miles....My flight over these islands has impressed me greatly with the practicability of an air line between North and South America over the islands of the West Indies. The distances between these islands are so small that on a fairly clear day one of them is always visible, even when flying at low altitude. In fact, the greatest water gap would be only slightly over one hundred miles. Communication between them is rather slow by the existing means of travel and, contrary to the usual situation, I believe that even very short air lines between the islands would be both practicable and profitable. In the United States our air lines must compete with highly developed rail transportation. The loss of a few hours due to fog would place the advantage in favor of the railroads. Conditions here are entirely different. A plane might lose a day or more in the West Indies or in Central or South America and still have a tremendous advantage over ground or water travel. It might be said, therefore, that one of the greatest opportunities for the establishment of air lines lies in this part of the world. And these same air lines will probably be one of the greatest factors in the development of commerce in the countries south of the United States in the future. I believe it is of utmost importance both for the people of the United States and for those of the islands of the West Indies to do their utmost in patronizing and encouraging the air lines now existing and the inauguration of more extensive routes in the future."

TULAREMIA CASE IN BUFFALO A Buffalo, N.Y., dispatch to-day says: "A warning to housewives and butchers to be careful in dressing rabbits was issued yesterday by Health Commissioner Fronczak, after a report was made to his office of one case of tularemia, or rabbit fever. The patient, Reinie Bettinger, has been ill since December and is still disabled."

Section 2

Banking and Agriculture — Long actively interested in the agricultural work in its area, the First National Bank of Laurel, Miss., in its January Bulletin outlines some details of its cooperation with its farming constituency, which has gone far toward furthering the prosperity of the bank and its clients and all its section. Thousands of farmers, the bulletin shows, have been loaned money with which to purchase land, build homes, barns or fences, to buy trucks and to make crops. For this agricultural service, the bank maintains an agricultural department and also pays a marketing man to assist the farmers by finding a market for the various truck crops grown in its area. Many formulae for spraying, fertilizers, chicken and hog feed have been furnished and a sympathetic hearing is given to every farmer who has a problem to solve; no reputable farmer with reasonable security has been refused a loan, and no customer has been charged a bonus for a loan. The bank conducts contests on such lines as diversification, chicken raising, garden and canning, dairy production and kindred activities. (Manufacturers Record, Feb. 2.)

Citrus Marketing in Florida — Ray A. Frame, secretary of the Howey, Fla., board of trade, writes to Manufacturers Record for Feb. 2 as follows: "New factories in Florida are planned soon to produce pure citrus fruit juices preserved without the aid of preservatives of any kind, and so to open a new field for the marketing of the citrus fruit crop. This industry, it is estimated, may increase by half the demand for citrus fruits, and also great advances have been made in the canning of grapefruit, so that it may be distributed without seasonal interruption. This line of progress in Florida has been due largely to Doctor Ross and Doctor Inman and finally W.J.Howey. Doctor Ross discovered Florida's real citrus lands in the hills along the ridge section, and Doctor Inman worked with him. Mr. Howey studied under them and solved the marketing problem through standardization plus quality. Long study convinced Mr. Howey that marketing is practiced best by direct selling through a chain of stores and he now is opening about eight a week and will continue to open more as the groves produce more fruit. He has about 12,000 acres bearing, and when his project is completed he will have 60,000 acres in oranges and grapefruit. At normal production that acreage will produce 30,000,000 boxes, about twice the amount produced in the State this season. So far this season he has sold fruit at about $3 per box, net, on the tree, and no Howey fruit has been auctioned off. Mr. Howey believes the auction market must go. When this development is completed it is expected to produce enough fruit to total $300,000,000 in retail sales, placing the retail price at $10 per box...."

Dairy Industry in Idaho — An editorial in The Idaho Farmer for Jan. 26 says: "'Better cows' is without doubt one of the vital requirements of the day, and who can not take encouragement from the progress which Idaho cow-testing associations are making, as typified anew in their annual inventory of results? One hundred and thirty herds of dairy cattle in testing associations produced a minimum average of 300 pounds of butterfat per cow during 1927, as compared with 93 herds achieving this distinction in 1926--a gain of 40 per cent! In presenting diplomas to the 130 herd owners who joined the 300-pound class this year, D.L. Fourt, extension service animal husbandman, declared that notwithstanding good progress, there was still much more progress to be made in the

future to increase the average level of dairy profits....Just let this tremendous fact sink in! If all cows in Idaho produced as much as the average of those in testing associations, total butterfat volume might be increased by 20,000,000 pounds? And these 20,000,000 pounds would be added at virtually no additional cost. Is not this testimony enough that better cows are ever the economic salvation of the dairy industry?..."

Farm Health Hazards — In a report recently issued by the International Labor Office on occupational diseases among agricultural workers, it is pointed out that conditions among such workers vary greatly not only between different countries, but also between different districts in the same country, and that as a result of these differences in living conditions, education, &c., there is great variation in the hygiene and pathology of these workers. It is generally considered, says the report, that agriculture has no specific occupational diseases, but that long hours and fatigue due to carrying heavy loads are the principal causes of those diseases due to the occupation. (Press, Feb. 2.)

Mahogany Imports — Imports show that there has been a marked increase in the demand for mahogany in the last five years, says the National Bank of Commerce in a survey of the subject. Imports have risen from 50,000,000 board feet in 1922 to an average of more than 70,000,000 in the three-year period from 1925 to 1927. In comparison with the peak year before the war recent importations do not represent a large gain, it is pointed out, but they are some 35 per cent greater than the general pre-war average. "This increasing use of mahogany," says the survey, "has been an accompaniment primarily of the extensive building operations carried on in this period...."

Meat Situation — A review of the livestock and meat situation during the month just closed, issued by the Institute of American Meat Packers, states: "The fresh pork trade was fair, during the month just closed, with a good demand and lower wholesale prices. With a good demand smoked meat prices were about steady with a firmer tendency toward the close of the month, but were well below the levels which prevailed a year ago. Beef prices remained near the level of the previous month. The demand was slow as a result of the continued high level of cattle prices. The export trade in meats was again slow.

Rubber Restriction — An editorial in The New York Times for Feb. 1 says: "From London comes the report that the quota of rubber which may be exported from British Malaya during the coming quarter under the terms of the Stevenson Restriction act will remain the same as during the last quarter. To those interested in the rubber market this is not unexpected. To the public it is of concern primarily because it shows a determination on the part of the British to continue their restriction policy, though it has not worked as its framers expected. Originally adopted with a view to maintaining the price of crude rubber at a level high enough to assure the growers a decent living, it has benefited those who, like the Dutch in Sumatra, were not affected by its terms, whereas it has only indirectly helped the British planters. The principal difficulty has lain in the fact that the British planters not only have controlled too small an area of the rubber lands but that by restricting output on those lands they have directly encouraged others

to increase their rubber production....Word comes that the British ar surveying the rubber estates in Malaya with a view to tightening restriction. This is in the face of increasing opposition on the par of many plantation owners. Already plantations in Sumatra and Borneo which were not yet bearing when the restriction laws went into effect are beginning to yield. As these increase their output the later plantings in Dutch territory will begin to ripen, and shortly thereafter the Liberian lands may be showing their initial production. Thu there is every indication that the capacity for production outside of the British-owned plantations will be enlarged steadily."

Timber Farming in the South Manufacturers Record for Feb. 2 says: "The immense practical value of sound forestry legislation is indicated by a recent circular from the United States Department of Commerce. 'The annual growth of timber in Sweden's forests now exceeds the annual cutting by nearly 100,000,000 cubic feet,' states the circular, quoting a study of the Swedish forestry system made by Trade Commissioner Emil Kekich. 'This result,' it is added, 'has been accomplished through forestry practice making extensive areas more productive and through closer utilization.' In our own Southern States we have a longer growing season than Sweden. If the rate of timber growth in Sweden is comparable to that in Canada, then in the South we can grow timber at least four times as fast as it can be grown in Sweden. Since the slow growth of timber in Sweden can be commercially profitable, it is not surprising that our Southern States are at last adopting legislation looking to the encouragement of reforestation of cut-over lands where the timber grows four times as fast as it does in Sweden, or that our great lumber companies and others are going so heavily into the practice of forest farming. The great wonder is that with so fertile a region for timber farming as the South provides, we were so slow to adopt sensible, constructive legislation...."

Trade Competition Wide prevalence of profitless business in the United States was laid at the door of wasteful and uneconomic competition by Alvin E. Dodd, manager of the department of domestic distribution of the Chamber of Commerce of the United States, in an address Feb. 2 before the Hollow Tile Building Association, at Chicago. "Business is rapidly coming to the conclusion," said Mr. Dodd, "that competition, long regarded as the balance wheel of economic progress, can be as well a ball and chain about the ankles of industry. It is beginning to distinguish between legitimate competition which springs from greater efficiency and the kind of competition which is no less than economic piracy. Industry has no defense against the man who will deliberately sell his product at a loss, who will resort to deception and sharp practice to gain a foot-hold in a competitive market, who will attempt to extend the sale of his products at an excessive cost, merely to contend with another producer for business. Such a policy is bad for the industry, bad for the consumer and ruinous for the individual who follows it. Our enormous increase in production has intensified the scramble for markets, the fight to dispose of the surplus over and above the limits of consumption. Many corporations are discovering that the conflict is absorbing their profits. Artifices, justified and unjustified, are resorted to in an effort not to meet the demand of the consumer but to get the better of a competitor. Industry has learned, and I think the public is

learning, that the only means of defense against economic piracy and wasteful and destructive competition in selling, is collective effort - the legitimate exchange and compilation of information which will enable the constituent members to know where they are heading, to set up standards of business practice which all can observe, secure in th assurance that they are being observed all along the line. Certainly it is necessary that some sort of rational proceedure be agreed upon which will appeal to enough of the constituent members of an industry to insure a safe foundation for the future freed from the uneconomic elements which have encumbered its operations."

Section 3
MARKET QUOTATIONS

Farm Products Feb. 2. Livestock prices quoted at Chicago: Steers, good and choice, $13.75 to $18.25; cows, good and choice, $8.25 to $11.50; heifers, good and choice, $11.75 to $13.75; vealers, good and choice, $14.25 to $16.50; feeder and stocker steers, good and choice, $10.50 to $12.50; hogs, heavy weight, good and choice, $7.90 to $8.30; lights, medium to choice, $7.50 to $8.35; lambs, good and choice, $14.25 to $15.35; feeding lambs, medium to choice, $13.25 to $14.60.

Grain prices: No.1 dark northern spring Minneapolis, $1.56 1/8 to $1.63 1/8; No.2 red winter Chicago, $1.46½; Kansas City, $1.43 to $1.48. No.2 hard winter Kansas City, $1.37½ to $1.42½. No.3 mixed corn Chicago, 89¢; Minneapolis, 79½ to 81½¢; Kansas City, 79¢ to 81¢. No.3 yellow corn Chicago, 91½¢; Minneapolis, 83½ to 85½¢; Kansas City, 80 to 82½¢. No.3 white oats Chicago, 56¼ to 57¢; Minneapolis, 50 7/8 to 52 7/8¢; Kansas City, 55 to 57¢.

Maine sacked Green Mountain potatoes ranged $2.15-$2.30 per 100 pounds in the East; top of $2.45 in Baltimore; $1.70-$1.75 f.o.b. Presque Isle. Wisconsin sacked Round Whites, $1.55-$1.65 carlot sales in Chicago; $1.30-$1.40 f.o.b. Waupaca. New York and Midwestern sacked yellow onions $2.25-$2.90 per 100 pounds in consuming centers; $2.20-$2.30 f.o.b. Rochester, New York. New York Danish type cabbage $9-$15 bulk per ton in terminal markets. Northern Danish type 90¢ sacked per 100 pounds in Chicago; mostly $10 f.o.b. bulk per ton. New York Baldwin apples $5.50-$8 per barrel in city markets. Michigan Jonathans $9-$10; Rhode Island Greenings $9-$11 in Chicago.

March future contracts on the New York Cotton Exchange declined 33 points to 16.92¢, and on the New Orleans Cotton Exchange they were down 22 points, closing at 16.85¢. On the Chicago Board of Trade March futures declined 31 points to 16.78¢. The average price of Middling spot cotton in 10 designated markets declined 33 points to 16.61¢ per lb. On the same day in 1927 the price stood at 13.07¢.

Wholesale prices of fresh creamery butter at New York were: 92 score, 48¢; 91 score, 47¢; 90 score, 46¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 25 to 25½¢. Held Cheese Prices. Flats, 29 to 29½¢; Single Daisies, 29¢; Young Americas, 29 to 29½¢. (Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXVIII, No. 29 Section 1 February 4, 1928.

BOULDER DAM APPROVED

With a proviso that it shall not be reported formally to the House before March 15, the Swing-Johnson bill for construction of a huge Government dam in Boulder Canyon on the Colorado River was approved yesterday by the House irrigation committee. The vote was 13 to 4. (Press, Feb. 4.)

SAN FRANCISCO BANK RATES UP

A dispatch from San Francisco to-day states that the Federal Reserve Bank of San Francisco yesterday established a rediscount rate of 4 per cent effective February 4. This will supersede the existing rate of $3\frac{1}{2}$ per cent.

STOCK PRICES AND BANK RATE

The New York Times to-day says: "After moving nervously for the greater part of yesterday while the financial community seemed unable, after overnight reflection, to make up its mind as to how it should receive the increase in the New York Federal Reserve Bank's rediscount rate from $3\frac{1}{2}$ to 4 per cent, the stock market broke precipitately in the last half hour of trading on the Stock Exchange. Leading stocks lost from two to five points in the rush of selling, which overwhelmed the market at a time when it seemed about to get through the day without serious injury....."

FUR DESIGNATIONS

A New York dispatch to-day reports that representatives of the fur industry at New York yesterday agreed to adopt a system of naming and marking furs under which the correct name of the animal from which the pelt was obtained will be stamped plainly on the skin. This move was made at a meeting of the fur industry representatives and the trade practice conference department of the Federal Trade Commission. The plan will be forwarded to the commission at Washington, and, provided it meets with approval, will be adopted as standard by the industry and enforced by the commission. Coined trade names such as "Hudson seal," which is the skin of the muskrat dyed to the color of seal, and names designed to cover up the fact that rabbit fur is dyed to simulate other fur, are practices against which complaints have been made to the Federal Trade Commission.

CHESTNUT BLIGHT QUARANTINE

A Harrisburg, Pa., dispatch to the press to-day reports that the State Department of Agriculture yesterday announced that, effective Feb. 1, the chestnut blight quarantine, established in 1920 to prohibit the shipment of chestnut nursery stock from Pennsylvania to outside points, had been removed. Department officials said the blight has spread by natural means over practically all of the eastern chestnut area, so that there was no reason to continue the regulations.

Section 2

Corn Borer in New Jersey

An editorial in Pennsylvania Farmer for Feb. 4 says: "New Jersey farmers need no longer feel that other Eastern States are ahead of her in having the corn borer. The State Department of Agriculture reports that Federal scouts have found the corn borer in Middlesex and Hudson Counties and, if the species is of the usual energetic and prolific kind, these counties will not long have a monopoly of this pest. But New Jersey had the edge on other States by being first in the field with the Japanese beetle, and she is a hospitable host to the destructive gypsy moth. But New Jersey also has a corps of insect fighters second to none in the United States. These officials are always on the job and their alertness has enabled them to devise and advise control measures and practices which enable farmers and fruit growers to combat successfully the most vicious pests. We may expect them to meet the corn borer with the usual result."

Dairy Evolution

An editorial in The Progressive Farmer for Jan. 28 says: "The dairy industry of the country has been largely taken away from the New England States by the Central Northern States of Minnesota, Iowa, and Wisconsin. Probably the South will never entirely overshadow these great dairy States, but that they must share the glory with the Southern States is very clear. It is possible that these three great Northern States will find the South, in the next few years, catching up with them in the matter of milk and butter production. The interest is here, and one of the greatest needs is not only more cows but better cows. The average per year production of milk of the cows in these great Northern dairy States is about 4,500 pounds. Before we can ever be as efficient in this work as the Northern States, we must at least come somewhere near this average. So in our enthusiasm and haste to increase the number of dairy cows in the South, let's not overlook the fact that the quality is just as important, if not more so, than the quantity."

Farm Records

An editorial in Modern Farming for Feb. 1 says: "An intrinsic and essential part of better farming is better record keeping. There is just where the newer agriculture scores its most telling victory, and extends its triumph farthest. It is easy to argue about yields, and easy to keep any particular view we desire to keep if we have our own memories as the sole source of information. It is easy to say that upon 'about' ten acres of land we made 'about' ten bales of cotton, or 'about' seven hundred and fifty bushels of corn. As the bumper crop fades into the past our memories become less alert for details or our imaginations more active, and perhaps with the passing years the 'about' ten acres becomes 'about' nine acres, and the yields go up with the operation of like processes. The kind of farming fostered by the county agents and extension workers isn't the 'about' kind when it comes to record keeping. The farmers who cooperate with these agents keep accurate records which mercilessly lay bare their weak spots, or shed encouraging light upon their progress. Without such record keeping there can be no assured and sustained progress in farming, or in anything. We must check our progress or our decadence. The resulting data are the basis for improvement."

Government Regulation of Business

Julius Kahn makes a plea for more Government regulation of business in Nation's Business for February. He says in part: "What is the matter with business? Everyone asks the question and every answer is different. We are accustomed to think in terms of economics taught us at school; the theories of supply and demand, available money in circulation, balance of trade, the influence of politics, protective tariff and free trade, waves of prosperity and depression, and goodness knows what else. But our theories drop by the wayside when they meet the actualities of life. Our statisticians prophesy waves of prosperity, and their prophesies are followed by demoralization in the price of securities; their recommendations of caution find prices of securities climbing higher than ever. From time to time the business cycle is rolled out and we are told that depressions must always follow periods of prosperity. Is it necessary that there be depression at all? I maintain that it is not....Our unrest comes principally from the want of proper guidance, resulting in improper distribution of wealth, unequal opportunity for all, discrimination, inequitable compensation, unfairness of competition....The Government must assume the trusteeship of our welfare, and we, its citizens, must interest ourselves in the appointment of men who know how to run our Government....I do not believe it is inconsistent or impossible, with the powers given to the Government ,that it so legislate and regulate business that there be no ups and downs, periods of unusual prosperity and depression, just as it has been made possible to regulate against financial depressions and panics through a central body, our Federal Reserve Board....How about industry in times of war when we need it working at its very best? Will ruthless competition at such times speed it on? No. As a matter of fact, the Government actually fixed prices on the major required products during the recent war. And again, with the privilege of reasonable price fixing properly controlled, is the stimulus to return value received taken away? Of course not. What competition remains to give ample stimulus to our railroads and public utilities? The competition of good service. There is plenty of room for competition without the ever-grinding cutting of prices below the legitimate margin. Unrestrained price competition is ruinous....I insist that our present laws covering restraint of trade have long ago outlived their usefulness and should be modified....We need Government regulation in industry. I do not mean by this that we need Government operation of business. But we do need Government direction to prevent the abuse of good business and to establish sound business principles; an industrial or trade commission consisting of a free, thinking, technical liberally-minded body that seeks to help through analyzed, deliberate judgment. I do not mean that the Government should run our business. But I do mean that business should be allowed the greatest possible latitude, consistent with proper service to the public, guided by governmental authority and not hindered by a Sherman Act, when the results that business strives for are wholesome...."

London Meat Market

An editorial in Country Life (London) for Jan. 21 says: "The contributions to agricultural knowledge which result from the papers read before the Farmers' Club are widely recognized. One of the most timely papers was that read by Samuel Pulham in December, dealing with the trend of consumers' requirements for joints of meat, and how far

farmers can supply them....It is very evident, from knowledge which we now possess, that producers in this country have not stepped into the forefront of the meat industry, but, rather, have lagged behind, allowing producers in other countries to forge ahead. The position is not a little serious....The principal reason advanced by Mr. Pulham for the increasing demand for imported meat was that it 'is more tender to eat.' This tenderness is produced by two causes, viz.: (1) the imported meat is derived from younger, better bred and better finished animals than those available in the home market, and (2) the meat has been killed for a period of from three weeks to three months before being used. The question of price, too, undoubtedly enters into the popularity of the imported meat, but this was not stressed more than tenderness....The criticisms leveled against the home producer are, virtually, that he has omitted to keep pace with modern demands, that uniformity is lacking, and that there is no control exercised over the quality of stock bred in this country. So far as the beef trade is concerned, this is complicated by the large amount of attention given to dairying....The suggestion has been thrown out on more than one occasion recently that the time has arrived when a more modern system of meat marketing should take place than exists at the moment..."

Population and Production

An editorial in The Rural New Yorker for Feb. 4 says: "The most hopeful long range feature in the farming outlook is the fact that population has been fast catching up with production the past ten years. Taking production of the ten leading crops as 100 per capita in 1917 it was 92 per capita in 1927, having tended lower right along except in that big crop year of 1927 when the tremendous output of farm products fairly broke the market's back. Production is growing but population is growing faster, and besides a larger proportion of the people are living away from the farm and must buy all they eat. According to the figures, a young farmer startling now may fairly count on more or less steady improvement in average home demand for farm products."

Rayon Production

"The continued strength of the rayon situation is indicated in a number of ways. The largest producer is now making about 4,000,000 pounds of rayon a month and is reported to be booked practically up to the end of April. Not only is domestic production being substantially increased, but imports of rayon are larger than ever, receipts from abroad in 1927 being 5,000,000 pounds more than in the previous 12 months. Underwear mills continue to be the largest consumers of rayon yarn." (Am. Wool and Cotton Reporter, Feb. 2.)

Scottish Banks and Agriculture

Allan M'Neil, lecturer on banking, University of Edinburgh, writing in The Scottish Journal of Agriculture for January, says: "In the present acutely depressed state of agriculture it is often asked what the Scottish banks are doing for the benefit of farmers. The answer is short and emphatic. The Scottish banks are giving no exceptional unsecured financial assistance to farmers to meet current expenses, which they do not give to other traders similarly situated... The modern trend of banking is not the fostering of local industries by local unsecured loans to develop personally owned and controlled industries which yield but a moderate return, but the more lucrative, although questionable, expedient of investing a not inconsiderable portion of their available assets in foreign securities and in joint stock enterprises...There is no doubt that the present Government has

afforded considerable financial assistance to agriculture is such ways, for example, as relief of rates, grants for drainage, encouragement of sugar-beet growing, &c.; but nothing has been done to provide advances to farmers to meet working expenses. Nor can it reasonably be expected that the Government should provide money for farmers to meet current expenses until the produce of agriculture is realized. If the Government did so, it is difficult to see how they could refuse assistance to other industries. We may here suggest two methods by which the necessary money might be placed at the disposal of farmers. In the first place, a change in the law would enable a security to be created in favor of a lender over the produce of agriculture. According to our existing law no security by whatever name it is called can be constituted over movable property so long as the debtor remains in possession. Hence there are no means at present by which a farmer can give an effectual security to a lender over his growing crops, the hay or straw in his stackyard, or the grain in his barns. It is here that a change in the law might be beneficial. In certain of the British colonies such securities can be created, and the constitution of them has met with marked success...."

Section 3
MARKET QUOTATIONS

Farm Products Feb. 3. Livestock quotations at Chicago: Slaughter steers $13.75-$18.25; cows, $8.25-$11.50; heifers $11.50-$12.75; vealers, $14-$16.50; feeder and stocker steers $10.50-$12.50; heavy weight hogs $7.90-$8.30; light lights $7.50-$8.40; slaughter pigs $7.10-$8; slaughter lambs $14.40-$15.35; feeding lambs $13.25-$14.60.

Maine sacked Green Mountain potatoes $2.25-$2.45 per 100 pounds in the East, mostly $1.75 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.55-$1.65 carlot sales in Chicago; mostly $1.35-$1.45 f.o.b. Waupaca. New York Baldwin apples $5.50-$7 per barrel in city markets; high as $8 in Chicago; $6.25 f.o.b. Rochester. Eastern Yorks $6.50-$7. New York Rhode Island Greenings $8-$9. Michigan Jonathans $9-$10 per barrel in Chicago. Florida Pointed type cabbage $1.25-$1.50 per 1½ bushel hamper in the East. New York Danish Type $9-$15 bulk per ton in terminal markets; New York and Midwestern yellow onions $2.25-$2.90 sacked per 100 pounds in consuming centers; $2.25-$2.30 f.o.b. West Michigan points.

Closing price of 92 score butter at New York was 48¢.

The average price of Middling spot cotton in 10 designated markets advanced 22 points to 16.81¢ per lb. March future contracts on the New York Cotton Exchange advanced 22 points to 17.14¢ and on the New Orleans Cotton Exchange they were up 13 points, closing at 16.98¢. On the Chicago Board of Trade March futures advanced 16 points to 16.94¢.

Grain prices quoted: No.1 dark northern spring wheat at Minneapolis $1.56 1/8-$1.63 1/8. No.2 red winter at Chicago $1.47; Kansas City $1.43-$1.48. No.2 hard winter, Chicago $1.31-$1.31½; Kansas City $1.25-$1.26½. No.3 mixed corn, Chicago 88¢; Minneapolis 80-82¢; Kansas City 78½-81¢. No.3 yellow corn Chicago 90-90½¢; Minneapolis 84¢-86¢; Kansas City 80-82¢. No.3 white oats Chicago 54-56½¢; Minneapolis 51½¢-53½¢; Kansas City 55-57½¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

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Vol. XXVIII, No. 30 Section 1 February 6, 1928.

TARIFF CUT ASKED

A joint resolution calling upon the President to reduce by one-half the tariff on materials and commodities used in agricultural pursuits has been introduced by Representative Romjue of Missouri. The lowering of these tariffs would "lessen the burdens" of the farmer, the resolution said. (Press, Feb. 5.)

FARM ANALYSIS BY INDUSTRIAL BOARD

The farmer has increased his efficiency of production approximately as much as manufacturing establishments have done, according to an analysis made public by the National Industrial Conference Board yesterday, and the conclusion is drawn that some other explanation must be found to account for the comparative hardships of the farmers. Output per farm worker increased 47 per cent, from 1899 to 1925, the analysis says, whereas the increase of output for factory workers was 49 per cent. Horsepower used on farms increased during the same period from 23,500,000 to 47,400,000, and the increase per worker was even greater than it was in factories. It is also pointed out that the American farmer cultivates more acres per worker than does the farmer of any other nation, and that American agricultural machinery is recognized as the best and most efficient in the world, being one of our most important export items. (Press, Feb. 6)

BRITISH FARMERS SEEK GOVERNMENT AID

A London dispatch Feb. 5 says: "Their activities handicapped by several years of unprofitable business, farmers in all probability will receive Government aid in 1928. The draft of proposals to be submitted to Parliament has been completed, and foremost among them is a bill improving facilities by which farmers may obtain both long and short term credits....."

"MASTER FARM HOME-MAKERS"

A Cedar Rapids, Iowa, dispatch to the press of Feb. 5 says: "A new national movement is just getting under way to honor successful American farm women, to dignify their job as one of the most important professions in the world and to emphasize high standards of rural home-making. In each of twenty-three States this year five outstanding women will be selected on account of their unusual achievements for honor as 'Master Farm Home-Makers.' ....."

TAXATION STUDY

A project for a Nation-wide study of state and local taxation was launched to-day by the Chamber of Commerce of the United States with the announcement by President Pierson of the appointment of a special committee to consider the subject. Finance, industry and agriculture will be represented on the committee, which will be under the chairmanship of Felix M. McWhirter, president of the Peoples State Bank of Indianapolis, and the membership of which will include economists, tax experts and Government officials.

Section 2

American-Canadian Milk Merger

The Ontario Farmer for Feb. 1 announces the merger of several large milk manufacturing companies of the United States and Canada. It says: "A combine has been formed including the Borden Milk Company of Canada and the United States and the Merrill-Soule Company of England and United States, including the subsidiary companies. The Canadian Milk Products Company is a subsidiary of the Merrill-Soule Company and is included in the merger. It is not known whether the change will in any way affect the operation of existing condenseries or powder factories in Ontario or not."

Barron on Wealth Creation

C. W. Barron writes on "Wealth Creation by Finance" in The Wall Street Journal for Feb. 4. He says in part: ". . . The astonishing announcement comes from Washington that $150,000 is to be appropriated, from benevolence, for research as to the causes of our great prosperity since 1923. For the price of this paper the cause of our abundant prosperity will be answered here in a few lines. Certainly the cause of prosperity is not to be found in our unprofitable shipping, or in our railroads that are now earning less than 3 per cent on their replacement value, and have a lessened car movement. It is not to be found in shrinking profits for coal or for oil. . . . . Is our increasing wealth to be found in the production and exports of southern cotton, western corn, or northwestern wheat? The total value of our production from the earth's surface and subsurface was less this last year than in 1926, although our crop values gained by $600,000,000. . . . . Nevertheless, it can not be denied that the United States in its wage fund, in its foreign trade, and in aggregate gains of wealth, is tremendously prosperous. It is pretty clear that, of late years, the increase in wealth in the United States has been annually greater than the total product from agriculture and mines. These do not represent a primary value in barn, storehouse, coal breaker and mineral smelter, of $20,000,000,000 per annum. Yet from these we do a gross business approaching $100,000,000,000 per annum. From them we feed, fabricate and put into the service of man, a total product five times greater than the value of the primary production. But after consumption of all necessities and luxuries, man by his hand has probably not added $10,000,000,000 to the wealth of the country. Yet, the United States of late has grown richer by far more than $10,000,000,000 per annum. Is there herein presented a riddle in economics calling for $150,000 in research? Any close student of values and valuations of banking and our credit system should be able to answer. . . . In brief, the solution of this riddle is in the one word 'finance.' The United States has grown astoundingly rich, of late years--by finance. . . . Before the passing of the Federal Reserve Act, our national banking system wasted the fruits of enterprise and prosperity. . . . . The panic of 1907 forced the most gigantic change in world history. It made a reform in the American banking system, massed it under a central board of direction, and, above all, reduced the reserve requirements to the English basis--and below. . . . The Federal Reserve Act had won the war. . . . We soon found ourselves with more than $4,500,000,000 in gold, or one-half of the money gold of the world. . . . This new wealth is so modern that it has not been tabulated, nor can its value be shown in tax returns, because the newly created securities are likely to

be held for many years in increasing land and building values. . . and increased demand for luxuries and personal service. There is no necessity to spend $150,000 for research as to the source of the gains in American wealth. They stand out in every stock market tabulation. . . It might be more to the point to spend a million dollars to measure the future effect in business, society, politics, legislation, and Government and in the progress of man. . . " (The purpose of the research committee referred to was outlined in Daily Digest for Jan. 27.)

Canadian Tobacco Pool

Ontarion Farmer for Feb. 1 says: "Ontario tobacco growers, after a series of mass meetings, and consultations with Government officials and representatives of the western wheat pools, have decided to form a tobacco pool. The last meeting was a rather stormy one, with county representatives divided upon the advisability of forming either a straight pool or joining up with the Canadian Tobacco Growers' Cooperative. While details are yet lacking, it seems that the financing of the pool has been arranged for, and the facilities of the Cooperative will be used for the next five years for processing."

Corn Borer Control

An editorial in Farm and Fireside for February says: " . . . . There are farmers optimistic enough to say that the corn borer, like the boll weevil, will be a blessing in disguise--that it will make better farming necessary. That it will necessitate better farming is true, but it will also add considerably to the expense of growing corn. Consider the corn borer in this light: What would I grow if I had to cease growing corn as many Ontario farmers have been forced to do? Or what would it mean to me if the expense of corn-growing were increased two to five cents a bushel because of fighting the corn borer? Ask yourself these questions and it may give you a different slant on the corn-borer problem."

French Foreign Trade

France's foreign trade in 1927 shows an excess of exports over imports of 2,371,957,000 francs. Official figures just transmitted to the Bankers Trust Company of New York by its French information service show that imports for the year amounted to 52,852,760,000 francs (49,358,947 metric tons) while exports totaled 55,224,717,000 francs (38,050,956 metric tons). In 1926 imports reached 59,598,321 francs, or an excess of 6,745,561,000 francs over 1927, while exports for 1927 totaled 59,677,930,000 francs, or 4,453,213,000 less than in 1926. In weight, on the other hand, imports and exports exceeded those of 1926 by 3,964,961, and 5,502,452 metric tons respectively. The comparison of the above figures show that the drop in value of exports and imports is due chiefly to a decline in prices in paper francs since during that period tonnage has increased. Compared with 1913, imports have increased during 1927 by 5,138,561 and exports by 15,976,443 metric tons. In December 1927 alone France's imports amounted to 5,215,962,000 francs (3.908,251 metric tons) and exports 5,020,340,000 francs (3,423,225 metric tons) or an increase in imports of 584,183,000 francs (98,630 metric tons) and in exports of 149,800,000 francs (207,267 metric tons) over the preceding month.

Higher Bank Rates

In an editorial on the increased bank rates, The Wall Street Journal for Feb. 4 says: "..... It remains to be seen whether the higher rediscount rate can prove a check to the expansion of security loans while general business prosperity lasts. The Reserve System, as a consequence of its own splendid efficiency of organization, has made money and credit here super-mobile, so that from the twelve reservoirs of monetary supply credit moves promptly from points where it is most abundant to all places where it is most needed. However business may expand there is no way whereby the combined requirements of commerce, agriculture and industry can absorb the supply of available credit. The long time view is for comfortable rates for business accommodation and for lower yields on bonds. Accumulating funds, the result of prosperity must continue to find employment in the securities markets so that whatever expansion may take place in commercial loans, loans against stocks and bonds will continue upward also....."

Irish Herd Improvement

An editorial in The Farmers' Gazette (Dublin) for Jan. 21 says: "..... The system of granting premiums to bulls is the pivot of the livestock industry in this country. It was started originally by the Royal Dublin Society, and taken over and extended when the Department of Agriculture came into being. There is no gainsaying the fact that it has been the means of adding greatly to the quality and value of Irish cattle, and not only that, but it has done much to encourage the breeding of pedigree cattle in the country. The majority of our farmers are small-holders who could never afford to purchase a bull of outstanding merit, and these have been enabled under the premium scheme, at practically no cost to themselves, to take full advantage of a pure-bred bull, thus improving the quality of their stock, and being enabled to command better prices for their cattle. The holder of a premium bull occupies a position of public trust. This is generally recognized throughout the country, and the County Agricultural Committees take care in nearly every instance that the right farmers are chosen for the grant. Holders of premiums, as a rule, recognize the responsibility of their charge....."

Rural Church Cooperation

An editorial in The Michigan Farmer for Jan. 28 says: "'More than one church in a small rural community is a mortgage on the farm life of that community,' says Professor R. A. Felton of Cornell University. Further, he believes it to be the imperative duty of denominational leaders to work out some plan to relieve farmers of the burden of financing several churches when they can not adequately support one. Late statistics would indicate more than one hundred thousand rural churches in this country supported by farmers. An active rural church is the most essential organization in a community, but, in the majority of cases, a second competitive church is an unnecessary tax on the pocketbooks of those who must support it..... During the recent agricultural depression, the average rural community has been financially unable to support two pastors adequately, with the result that pastors have been underpaid, their usefulness crippled, and money spent that might otherwise have been used more effectively..... Those who take the lead to devise plans for cooperation of rural churches are making a worthy contribution to our national farm life."

Section 3
MARKET QUOTATIONS

Farm Products

Feb. 4: Grain prices quoted February 4: No. 2 Red winter Chicago $1.46 1/2, Kansas City $1.43 to $1.48; No. 2 hard winter Chicago $1.31; Kansas City $1.37 1/2 to $1.43. No. 3 mixed corn Chicago 88¢; Kansas City 78 to 80¢. No. 3 yellow corn Chicago 91¢, Kansas City 80 to 82¢; No. 3 white oats Chicago 55 to 56 1/4¢; Kansas City 55 to 57 1/2¢.

Chicago heavy hog prices, medium, good and choice $7.90 to $8.25; lights medium, good and choice $7.50 to $8.35, slaughter pigs, good and choice $7.10 to $8.00. Maine sacked Green Mountain potatoes 10¢-30¢ higher at $2.10-$2.45 per 100 pounds in the East; $1.65-$1.80 f.o.b. Presque Isle. Wisconsin Round Whites $1.55-$1.65 carlot sales in Chicago; $1.35-$1.50 f.o.b. Waupaca. Eastern York apples 50¢ higher at $6.75-$7 per barrel in New York City. Michigan Jonathans $9-$10 in Chicago. New York and Midwestern yellow onions 10¢-25¢ higher in the East and firm in the Middle West at $2.25-$2.90 sacked per 100 pounds in consuming centers; mostly $2.25-$2.35 f.o.b. Cabbage markets firm. New York Danish Type $9-$15 bulk per ton in terminal markets; mostly around $7 f.o.b. Rochester. Florida Pointed Type slightly lower at $1.40-$1.50 per 1½ bushel hamper in the East.

Average price of Middling spot cotton in 10 designated markets declined 17 points, closing at 16.64¢ per lb. March future contracts on the New York Cotton Exchange declined 17 points to 16.97¢, and on the New Orleans Cotton Exchange they were down 17 points, closing at 16.81¢.

Wholesale prices of No. 1 Fresh American cheese at New York were: Flats, 25 to 25½ cents. Held Cheese Prices. Flats, 29 to 29½ cents; Single Daisies, 29 cents; Young Americas, 29 to 29½ cents. Wholesale prices of fresh creamery butter at New York were: 92 score, 48 cents; 91 score, 47 cents; 90 score, 46 cents. (Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXVIII, No. 31 Section 1 February 7,1928.

COTTON PREDICTION LEGISLATION The Senate yesterday passed the Mayfield bill prohibiting the Department of Agriculture from publishing predictions with respect to cotton prices, according to the press to-day.

"MOUNT WEATHER" SALE The Senate yesterday passed a bill authorizing the Secretary of Agriculture to sell the 84-acre tract straddling Loudoun and Clarke Counties in Virginia known as "Mount Weather." The place was purchased by the Government in 1904 as a weather forecasting station. (Press, Feb. 7.)

IMMIGRATION LEGISLATION Immigration from Great Britain and Northern Ireland would be more than doubled and from Mexico it would be reduced to one-tenth of its present influx under the terms of the new immigration quota bill which Senator Watson of Indiana has introduced, with the approval of Secretary Davis of the Department of Labor. A net increase of 39,927 over the aggregate for 1927 from both quota and non-quota countries would result from the changes, according to an estimate computed yesterday by W.W. Husband, Second Assistant Secretary of Labor. (Press, Feb. 7.)

RADIO COMMISSION LEGISLATION Extension of the life of the Radio Commission for another year after March 15 was approved yesterday by the Senate, as it's interstate commerce committee ordered a favorable report on the contested nominations of three members of the commission. Confirmation of the nominations of O.H.Caldwell, New York; Sam Pickard, Manhattan, Kans., and Harold Lafount, Salt Lake City, was recommended by the committee but its report was held up until the Senate amended the radio bill to limit the terms of all commissioners to February 23, 1929. The bill to extend the commission for another year was sponsored by Senator Watson, chairman of the interstate commerce committee. It was amended on motion of Senator Dill to restrict broadcasting licenses to six months. Senator Pittman obtained the amendment limiting the terms of the members of the commission to two years which would make all terms expire next February. After the commission goes out of existence the present law provides that it shall serve in advisory capacity with the terms of members ranging from two to six years. The Watson bill now goes to the House where a similar bill is pending. (Press, Feb. 7.)

COTTON BOARD AND SOUTHERN DELIVERIES A New York dispatch to-day states that the board of managers of the New York Cotton Exchange last night defeated a proposal to establish a contract for southern deliveries and immediately afterward defeated a proposal for deliveries in the South and in New York. The proposal for southern deliveries, which was defeated, 190 to 61, provided for the delivery of cotton at Norfolk, New Orleans, Galveston and Houston. Savannah would be made a fifth port of delivery when Georgia laws were modified. Opponents of the proposal said it would have eliminated New York as a cotton center.

Section 2

Barron on American Progress

C.W.Barron, writing on "Wealth Creation by Finance" in The Wall Street Journal for Feb. 4, says:"...Now what does all this ground work of historic review lead to as a practical solution of the why and wherefore of America's giant progress in wealth the last few years? Just to this--that the Federal Reserve Act has given us a new credit base that has permitted.--First: Instalment buying expansion so that new industrial employment and wealth have come forth. Second: The conversion of hitherto unrecognized good-will values into sound values in finance, yielding handsome dividends to millions of new investors or shareholders, and making bases for new credits and new property valuations. The creation of a new industry--a motor world--has taken up the slack of labor that would otherwise have been forced upon the country by our inventive genius, substituting machinery for hand labor. More than 60% of our 4,000,000 motors produced per annum are sold on credit, and without credit and instalment buying, made possible under the Federal Reserve Act, our American progress and world progress in motor design, motor mass-production, and lower motor prices, would have been impossible. Expanded credit in the building world has made possible rapid construction of our steel towers for homes and offices. Our steel production since 1879 has gone from less than 1,000,000 tons per annum to above 47,000,000 tons per annum. But the greatest increase in American wealth has come from the conversion of manufacturing, merchandising and trade 'good-will' into tangible securities--bonds and shares--with expanded ownership and expanded possibilities in earnings and dividends. This is the phenomenon of modern times...This tangible property is earning 225 millions per annum, or 25% upon what might be termed the invested capital....It may soon be true that one-half our national wealth of $400,000,000,000 is to be found in corporate form of bonds and shares, and the major part of the $200,000,000,000 of wealth may be found to rest on good-will values....Here is new wealth creation that for a time must outrun in wealth production, the farm, the factory, and the mine combined."

Business Co-operation

Sidney Rabinovitz, General Manager, Economy Stores Corporation, writing in Printers' Ink for Feb. 2, says: "...There is coming to light the sound economics of the fact that when the worth-while national manufacturer and advertiser is properly supported by the equally worth-while retail distributor, the manufacturer can make a better product for less money. The can of milk which is obtainable to-day for 10 cents, over the counter, would be an impossibility but for the magnitude of Borden and Pet and one or two others. The loaf of bread which the housewife can have to-day for 11 cents would be out of the question but for the scientific bigness of General and Continental. Anybody who wishes to duplicate in the modern home the quantity and quality of soup which our friend Campbell sets out for a few cents is confronted by an undertaking of tremendous magnitude. Yet this has been done in the face of opposition and handicap. During the last few years, we have seen great deeds accomplished through men in the same lines of business becoming acquainted with one another....Is it not possible that during the next ten years the logical step will be for the heads of business houses in the same line to come to know each other better? To-day we, as retailers, sell, over our counters, four given items for, let us say, $1--25 cents each. We make 5 cents per item, or a total of 20 cents on the dollar we take in...Now, if history can repeat

itself and better understandings can result in our being able to buy and sell somewhat more cheaply, it may be that instead of selling four items at 25 cents, those four items could be provided for 20 cents, giving the consumer an opportunity to spend the rest of his dollar, or 20 cents, for a fifth item. Thus the consumer gets 20 per cent more for his money. But that is not all. An entire new industry is being kept busy. The fifth group of men, making the fifth product, is earning money and producing money and merchandise and in turn spending it. Business is better all around. This, I feel will be the trend of future business. We have progressed beyond the point where we believe that retarding crops or production makes for added wealth. We know, from experience, that more production means more economies and a chance to have more for our money and consequently better business...."

City School Incomes — American cities are now spending more than a third of their total expenditures on public schools, the Department of Commerce announced Feb. 5. The aggregate outlay for these schools in the 250 cities of the country having more than 30,000 population was $607,059,-853 in 1925, or 37 per cent of the total city payments and $14.51 per capita. Cities having more than 30,000 population in 1916 were estimated to have spent but $6.30 per capita on schools. (Press, Feb. 6.)

Corn Borer Control — Dean Call of Kansas State College of Agriculture presents an extensive and detailed survey of the year's campaign against the corn borer in Farm and Fireside for February. The article is entitled: "Did the $10,000,000 Campaign Check the Borer?" Declaring that the campaign fully justified itself, Dean Call says: "When Congress last spring appropriated $10,000,000 to launch a campaign to suppress the European corn borer the most gigantic battle against an insect was undertaken. Now that the campaign is over and the results of the work available the question is, 'Has the $10,000,000 corn-borer campaign been worth while?' I have followed closely the spread of the European corn borer both in the United States and Canada since its introduction from Europe....When the tremendous potentiality of the insect for damage in the Corn Belt is considered, the expenditure of large sums to accomplish these results seems fully justified. It should be remembered that the money was spent to protect a crop valued annually at nearly two billion dollars. No less than a national calamity would result from the general destruction of this crop upon which our great livestock industry depends. With so much at stake and with the encouragement of the satisfactory results accomplished this past year under extremely unfavorable climatic conditions, the work for the coming year should be supported and pushed forward with optimism and enthusiasm."

Cotton Mill Financing — A Montgomery, Ala., dispatch Feb. 5 states that organization of the Alabama Cotton Mill Corporation, with the Alabama Power Company as one of the leaders in the movement, is being perfected, and articles of incorporation will be filed during the next few days. The corporation will finance the operation of cotton mills having a total capacity of 150,000 spindles, for which sites are being selected in various sections of the State. Electric current will be furnished for all operations by the Alabama Power Company. The report continues:

"A New England cotton mill will move its entire plant and equipment to Alabama. Instead of establishing one mill of 150,000 spindles, the corporation will have about fifteen mills of 10,000 spindles capacity, or ten mills of 15,000 spindles, in different locations."

Dutch Produce Shipped by Plane

An Amsterdam, Holland, dispatch to the press of Feb. 5 states that flowers and fruit from the famous Dutch hothouses are now shipped almost exclusively by air to customers abroad instead of making a train journey which robbed them of much of their freshness. Two tons of cut flowers were exported by air in 1927, arriving at destinations "with the morning dew still on them."

Grain Cooperation in Canada

Grain Growers' Guide (Winnipeg) for Jan. 16 says: "At the annual meeting of the United Grain Growers Limited, in November last, the shareholders authorized the issue of $3,750,000 of five per cent bonds to raise money for the company's magnificent new terminal elevator at Port Arthur, and other financing. The bonds were issued only a few weeks ago and yet in that short period have all been taken up. The purchasers included some of the largest and most important investors in Canada who ranked these securities as a gilt edged investment. The price of $96.25 at which the bonds were offered made the rate of interest 5.30 per cent....This very favorable rate of interest shows the general estimation in which the company is held and indicates that this farmer-owned-and-operated company is regarded as one of soundest business institutions in Canada...."

Jordan on Trade Statistics

In the opinion of Virgil Jordan, chief economist of the National Industrial Conference Board, one of the most urgent needs confronting American business to-day is a thorough reconsideration of the enormous volume of statistical information regarding business conditions which has developed since the war. "We have," said Mr. Jordan in New York Feb. 4, "not only more information about economic movements than we have ever had before, but also more than any other country in the world....This use of statistics is not only a powerful scientific instrument, but has come to exert a powerful psychological influence as well. For this reason it becomes daily of greater importance that business men and the general public have a clear understanding of the use and limitations of business statistics and their interpretation....Business men and trade organizations should be brought into closer contact with the Government in this work and greater measure of cooperation between business and industrial organizations and the Government should be developed." (Press, Feb. 5.)

Wool Market

The Commercial Bulletin (Boston) Feb. 4 says: "The position of wool has continued to strengthen this week both here and abroad. Manufacturers are buying moderately at the moment, but supplies are low and held at steadily advancing prices. In the West contracting goes on steadily and it is estimated that fully 80,000,000 pounds have been placed under contract, with prices slightly dearer for the week. Early shearing wools are selling in Arizona at 33 to 38 cents, according to the wool. London closed very strong, with merinos par to 5 per cent above the last series' closing and crossbreds mostly 5 to 10 per cent up. Australia is a penny a pound clean higher for the week and New Zealand and South America are very strong."

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Section 3
MARKET QUOTATIONS

Farm Products Feb. 6. Grain prices: No.1 dark northern spring wheat Minneapolis, $1.52½ to $1.58½. No.2 red winter Chicago, $1.48½¢ Kansas City, $1.43 to $1.47. No. 2 hard winter Kansas City, $1.35½ to $1.41½. No.3 mixed corn Chicago, 86½¢; Minneapolis, 80 to 82¢; Kansas City, 79 to 81¢. No.3 yellow corn Chicago, 90½¢; Minneapolis, 83 to 85¢; Kansas City, 80 to 82¢. No.3 white oats Chicago, 53¼ to 56¼¢; Minneapolis, 51¼ to 53¼¢; Kansas City, 55 to 57¢.

Livestock prices: Steers, $13.50 to $18.25; cows, good and choice, $8.25 to $11.50; heifers, good and choice, $11.50 to $13.75; vealers, good and choice, $13 to $16; heavy weight hogs, good and choice, $7.75 to $8.05; lights, medium to choice, $7.25 to $8.20; lambs, good and choice, $14.90 to $15.75.

Maine sacked Green Mountain potatoes ranged $2.15-$2.45 per 100 pounds in the East; mostly $1.80 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.60-$1.70 carlot sales in Chicago; $1.35-$1.50 f.o.b. Waupaca. New York and Midwestern sacked yellow onions closed at $2.40-$2.90 per 100 pounds in consuming centers; mostly $2.25 f.o.b. Rochester. Florida Pointed Type cabbage, $1.25-$1.75 per 1½ bushel hamper in eastern cities. New York Danish type, $10-$12 bulk per ton in terminal markets; mostly $7-$7.50 f.o.b. Rochester. New York Baldwin apples $6.75-$7 per barrel in the East; mostly $6.50 f.o.b. Rochester. Eastern Yorks, $6.75-$7. Michigan Jonathans, $9-$11 per barrel in Chicago.

March future contracts on the New York Cotton Exchange advanced 41 points to 17.38¢ and on the New Orleans Cotton Exchange they were up 40 points, closing at 17.21¢. On the Chicago Board of Trade March futures advanced 34 points to 17.15¢. The average price of Middling spot cotton in 10 designated markets advanced 40 points to 17.04¢ per lb. On the same day last year the price stood at 13.38¢.

Wholesale prices of fresh creamery butter at New York were: 92 score, 47¢; 91 score, 46½¢; 90 score, 45½¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 24½ to 25¢. Held Cheese Prices. Flats, 29 to 29½¢; Single Daisies, 29¢; Young Americas, 29 to 29½¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

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Vol. XXVIII, No. 32 Section 1 February 8, 1928

THE PRESIDENT AND FLOOD RELIEF President Coolidge still believes that Congress should adopt the flood control plans proposed by the Army Engineers, it was stated yesterday, following conferences held during the past week with Cabinet members and Major Gen. Jadwin, chief of the Army Engineers. At the conferences modifications of the flood plan in relation to tax reduction were discussed. It became apparent yesterday that these discussions and the demands of some members of Congress that the Government assume the entire expense of flood control have had no effect upon the President's views as to the flood programs. These views were fully stated in his last message to Congress, in which he advocated the adoption of the program prepared by the Army Engineers to cost about $297,000,000. (Press, Feb. 8.)

THE PRESIDENT ON TRANSPORTATION President Coolidge is represented as viewing with favor the four-day trans-Atlantic ship project and also the idea of a passenger air service between London and New York, which have been proposed as a means of improved service between Europea and the United States, according to the press to-day. It is said that experts who have studied for the President the proposal for four-day boats think it is feasible. President Coolidge is hopeful of improving the Merchant Marine Service and at the same time placing it in the hands of private concerns. In addition to favoring legislation to promote faster passenger ships to Europe, the administration intends doing all that it possibly can do to aid the plans for a passenger air service promoted by Commander C. D. Burney of England. The R-100, which expects to make the experimental trip from London to the United States in September may prove practical and if so American and English capitalists propose to place five other ships in the air service.

COTTON PARLEYS A Charleston, S.C., dispatch Feb. 6 says: "Governor Richards of South Carolina has issued a proclamation calling on the farmers of his State to hold mass meetings in every county seat on Wednesday for consideration of plans for reduction of cotton acreage. This action was taken at the instance of J. Skottowe Wannamaker, of St.Matthews, S.C., president of the American Cotton Association. The proclamation recites that the present price of cotton is below the cost of production and predicts that, unless steps are taken to curtail acreage, it will be even lower the coming season."

BOSTON AND DALLAS RAISE BANK RATES The press to-day reports that two more Federal Reserve banks--those at Boston and Dallas--raised their rediscount rate yesterday from $3\frac{1}{2}$ to 4 per cent. Announcement was made by the Federal Reserve Board that the increase would be effective to-day.

Section 2

Bread Competition An editorial in Modern Miller for Feb. 4 says: "The chain stores have started a bread war in Chicago and are offering the normal sized loaf at 6c. Just how this loaf weighs out for the consumer and what the reaction will be in drawing customers is a matter of doubt. There is a tendency to make the weight and the quality fit the price. On the suface this looks like a beneficent act to the consumer. In truth it is the worst kind of a move. Chain store bread is getting the name of a cheap quality product. Enough poor bread will drive any self-respecting housewife to bake her own, or turn to other foods. Word comes from Boston that poor bread of this origin has caused comment and extended discussion. The chain stores are making it harder for bakers to adopt a quality program. Bread wars cause commercial disruption and quality finds no part in such warfare. Some bakers have wisely refused such competition and are advertising and practicing quality. But to enlarge bread consumption and create confidence in bread products, the policies of the chain stores are a backward step."

"Master Farm-Home Makers" Writing of the inauguration of the "Master Farm-Home Makers" movement, a dispatch from Cedar Rapids, Iowa, to the press of Feb. 5 says:"...In each of 23 States this year five outstanding women will be selected on account of their unusual achievements for honor as 'Master Farm-Home Makers.'...One of the first of these twenty-three State recognitions occurred Thursday, at Iowa State College at Ames, as the feature of the annual banquet meeting of Farm and Home Week... This recognition, like the twenty-two others, is sponsored by The Farmer's Wife, a farm women's magazine, with the cooperation of the State Agricultural College Extension Service. The five Iowa women honored are: Mrs. Warden Logan, Davenport; Mrs. W.H.Royer, Dallas Center; Mrs. J.O.Smith, Clemons; Mrs. M.H.Runkle, Manchester, and Mrs. Roy M. Joslink, Anamosa. They were congratulated on behalf of the State by Governor John Hammill and presented with gold insignia of the master farm home-maker. Other recognitions of the same sort have just been held in Ohio, Indiana, Illinois, Missouri, Tennessee, Kentucky and West Virginia, and others are scheduled this year in States scattered from Vermont to Texas and the Carolinas to the Dakotas. Any farm woman in these twenty-three States is eligible for the honor when nominated by five neighbors. Then she is asked to supply very detailed information covering every phase of home-making, but particularly concerning these five points: Physical adequacy of the home in relation to income; management of time, energy and income; health record and living habits of the family; recreation, social development and family relationships (including training of the children), and community work. A State committee of five judges, chosen by the State Agricultural College Extension Service, then selects the five master farm-home makers. Emphasis is put on home-making rather than merely on housekeeping...."

Rail Chiefs on Farm Outlook The New York Times of Feb. 7 says: "Two divergent views of outlook for 1928 were given Feb. 6 at New York by the presidents of the Atchison, Topeka & Santa Fe and the Missouri Pacific Railroads. W.B.Storey, head of the Atchison, declared that the revenues of his road for the first half of 1928 undoubtedly would be lower than those of the same period last year, while L.W.Baldwin of the Missouri Pacific

believes the South and Southwest face an exceptionally successful year. 'As far as we can see now,' Mr. Storey said, 'our first half revenues hardly can be as large as they were a year ago, because we were then carrying wheat and oil, which we are not likely to get this year. At present chances are for a normal wheat crop in our territory this year. Prospects in western Kansas are not good, but in eastern Kansas they are very good. Livestock prospects look good everywhere, with the exception of hogs. Oil is still a drug on the market. We serve the west Texas field only indirectly through our connection with the Orient road.' Mr. Baldwin told of the effects of the Mississippi floods upon not only the Missouri Pacific but upon 'the Main Street of all America,' and added: 'Just before coming East we held in St.Louis what we call our family meeting, attended by traffic representatives from all parts of the country. Without exception these men, who are in close touch with business conditions, reported prospects good for the year. Industries are busy. Farmers, generally speaking, are confident of a good year. The outlook for Texas is particularly good. Thousands of homeseekers are pouring into south Texas, buying land that is still in the brush, building new homes and producing tonnage at a rate undreamed of even a few years ago...."

Population Increase

Thomas Nixon Carver, professor of political economy at Harvard University, contributes the third of his series on man's escape from want in The Magazine of Business for February. In this he says: "The tendency for a natural birth-rate to exceed a natural death-rate creates vast difficulties for any race that is foresighted enough to think about its own problems. It tends to create overpopulation, or at least local congestion, as the story of Eden was intended to convey, and to force people both to scatter and to work....Long before any final occupation of the entire globe can take place, certain areas may already tend toward overpopulation. Migration is not always possible. ...If we take the extreme case of a nation that can not migrate or expand commercially, it is a foregone conclusion that the time must arrive (in many cases it has already arrived) when population must become stationary. A stationary population is possible only where the birth-rate and the death-rate balance....If the conditions of living are so hard as to produce a stationary population by the rise of the death-rate to balance the birth-rate, another possible extrication is that of reducing the birth-rate to balance a 'natural' as distinguished from a tragic death-rate; but this is a very difficult problem....It is no accident that the escape from the villain, Want, has been more successful in those parts of the world where the biological family is also the legal family than in any other parts....Even though the biological family is definitely established as the legal and social unit, the escape from want is only partial and temporary. So long as all families feed out of the same trough, are supplied by the same commissariat, or are permitted to get their living from a common area of land, the problem is not solved. The irresponsible and the responsible fare alike....There is a logical parallel between family property and national territory. The principle involved applies to one as well as to the other. The right (real or supposed) of one nation to control its territory to the exclusion of others rests on precisely the same economic basis as the right of one family to control a bit of land or other property to the exclusion of others. In both cases, it is a means of safeguarding subsistence and protecting the standard of

living....The creation of responsible parenthood through the family and family property is by no means a complete solution. It is a partial solution. It shows what may be done by all if they will only make use of those universal principles of economics which have enabled some nations and some families to solve the problem for themselves. This is about as far as the world has yet traveled on the long and winding trail from want to prosperity. The next great step in human progress will be to extend the benefits to all. As already shown, this can not be done by a mere forcible sharing of goods, either among nations or among families. It can only be done by showing all nations how they may work out their own prosperity. In the case of families it must be done in the same way...."

Waterway Transportation

An editorial in The Country Gentleman for February says:"The barge service of the Inland Waterways Corporation on the lower Mississippi River saved shippers $1,900,000 last year. That is equal to a 6 per cent return on more than thirty million dollars, something over three times the capital investment in this Federal waterway line. A great deal more might have been saved had there been facilities available, for the barge line had to turn down thousands of tons it could not carry. The statement of Middle Western grain dealers that they would have shipped several million bushels more if the service had permitted does not make pretty reading when it is considered that a saving of over three cents a bushel was lost thereby. A still greater saving was lost to sugar consumers of the Middle West and Northwest because the line could handle less than half the 1,350,000 bags offered each month. And the Wheat Belt paid more for its sisal because so much of it had to be shipped by rail instead of at the lower combination rail-water rate. An investment that safely promises a distinct monetary gain is justified. It is justified still more when it helps to relieve the burden of a great section that is suffering from transportation disadvantages...."

Section 3

Department of Agriculture

An editorial in The Iowa Homestead for Feb. 2 says: "The Bureau of Agricultural Economics, United States Department of Agriculture, began an investigation of the activities of the cooperative livestock shipping associations in this country in 1926. At that time figures showing the business done by these organizations for the years 1923, 1924 and 1925 were obtained. The response, by the managers of these associations, to an inquiry from the bureau was very satisfactory both from the standpoint of business done and the profits derived from this form of marketing. In order to complete this study the bureau is again sending out a schedule asking for similar information for the years 1926 and 1927, in order to obtain a complete five-year report of the work of the cooperative livestock shipping associations in the entire United States. No doubt the shipping associations will respond as heartily to the present questionnaire as they did to the one issued two years ago. Much good should come from this investigation. It will enable the Bureau of Agricultural Economics to point out some of the main reasons why shipping associations are making more progress in some States than in others, which in turn will give information to the shipping associations that should prove of great value to them. We hope that every shipping association in Iowa, as

well as in other States will cooperate heartily with the bureau and make their reports as early and as full and complete as possible.... The United States Department of Agriculture is rendering a service of great value to the cooperative movement in general and it is up to the people to read and study the literature the department is publishing on the different phases of cooperative marketing."

Section 4
MARKET QUOTATIONS

Farm Products Feb. 7: Grain prices: No.1 dark northern spring wheat Minneapolis, $1.53 to $1.58. No.2 red winter Chicago, $1.48½; Kansas City, $1.43 to $1.47. No.2 hard winter Kansas City, $1.36½ to $1.43. No.3 mixed corn Chicago, 88½¢; Minneapolis, 80½ to 82½¢; Kansas City, 79½ to 82½¢. No.3 yellow corn Chicago, 90 to 90½¢; Minneapolis, 83½ to 85½¢; Kansas City, 80 to 83½¢. No.3 white oats Chicago, 54 to 56¾¢; Minneapolis, 51½ to 53½¢; Kansas City, 55 to 57¢.

Livestock prices: Steers, good and choice, $13.75 to $18.25; cows, good and choice, $8.25 to $11.50; heifers, good and choice, $10.25 to $13.50; vealers, good and choice, $13 to $16; heavy weight hogs, good and choice, $7.75 to $8.10; lights, medium to choice, $7.40 to $8.30; lambs, good and choice, $15.15 to $16; feeding lambs, medium to choice, $13.75 to $15.10.

Maine sacked Green Mountain potatoes $2.25-$2.50 per 100 pounds in eastern cities; $1.85 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.60-$1.75 carlot sales in Chicago; $1.45-$1.50 f.o.b. Waupaca. Florida Pointed type cabbage ranged $1.40-$2 per 1½ bushel hamper in the East. New York Danish type $10-$12 bulk per ton in terminal markets; $6.50-$7.50 f.o.b. Rochester. New York and Midwestern yellow onions closed at $2.40-$3 sacked per 100 pounds in consuming centers; mostly $2.30-$2.35 f.o.b. Rochester. New York Baldwin apples $7-$7.50 per barrel in New York City; few sales mostly $6.50 f.o.b. Rochester. Eastern Yorks $6.50-$7 in New York City; top of $8 in Chicago. Michigan Jonathans $9-$11 in Chicago.

March future contracts on the New York Cotton Exchange advanced 15 points to 17.53¢, and on the New Orleans Cotton Exchange they were up 11 points closing at 17.32¢. On the Chicago Board of Trade March futures advanced 15 points to 17.30¢. The average price of Middling spot cotton in 10 designated markets advanced 14 points to 17.18¢ per lb.

Wholesale prices of fresh creamery butter at New York were: 92 score, 47¢; 91 score, 46½¢; 90 score, 45½¢.

Wholesale prices of No.1 American cheese at New York were: Flats, 24½ to 25¢. Held Cheese Prices. Flats, 29 to 29½¢; Single Daisies, 29¢; Young Americas, 29 to 29½¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXVIII, No. 33 Section 1 February 9, 1928.

TARIFF DISCUSSION AT HAVANA An Associated Press dispatch to-day from Havana says: "Argentina and the United States failed to come to an understanding at the Pan-American Conference yesterday regarding the right of Pan-Americanism to interfere with the complete freedom of nations in assessing tariff schedules. The deadlock, which has been threatening ever since Dr. Honorio Pueyrredon, head of the Argentine delegation, demanded about a fortnight ago that the Pan American Union be empowered to study means to lower the excessive tariff walls in inter-American commerce, left Charles Evans Hughes, head of the United States delegation, and Doctor Pueyrredon at the end of a three-hour sub-committee meeting yesterday in complete disaccord and apparently determined not to alter their attitudes...."

COTTON INQUIRY ASKED Representatives of the cotton States made a dual attack in the House and Senate yesterday on alleged manipulation of the cotton market by speculators, according to the press to-day. Representative Rankin of Mississippi announced that he would offer a resolution calling for an investigation of the New York Cotton Exchange. Senator Smith of South Carolina urged an inquiry by the Senate Agricultural Committee into the general subject of cotton market manipulation. Introducing a resolution to carry out his purpose, Senator Smith sought its immediate consideration, but it was sent to the audit and control committee because it involved an appropriation of $25,000. Mr. Rankin charged that "acute financial distress" had been caused among southern cotton growers by "disastrous and unwarranted decline in prices," most of which, he insisted, was directly traceable to "gigantic manipulation" of the New York Cotton Exchange.

LINDBERGH AT HAVANA The press to-day reports that with his arrival at Havana yesterday Col. Charles A. Lindbergh completed a tour which began Dec. 13 at Washington, and took him to sixteen countries. In his letter to the New York Times to-day, written as he flew, Colonel Lindbergh says: "I am carrying with me three sacks of mail for Havana, the first air mail ever carried in the Spirit of St.Louis. One of these sacks came from Santo Domingo, and although it remained in the plane for two days while I was in Port au Prince, it will still arrive in Havana days ahead of time...This territory is waiting for air lines. There are large commercial opportunities and unlimited attractions for tourists, both climatic and historical...."

YOAKUM URGES MARKET BOARDS The creation of Nation-wide commodity marketing associations was proposed to President Coolidge yesterday by B.F.Yoakum of New York, former president of the Atchison, Topeka & Santa Fe Railroad. He contends that if the farmers are given authority to establish their own marketing boards of control to manage and direct the distribution of their products and can establish a Nation-wide marketing system, with the credit and banking accommodations to which their products and properties entitle them, they will work out their own salvation. (Press, Feb. 9.)

Section 2

British Farm Problems

The Field (London) for Jan. 26 says: "Present prospects in the farming world and the immediate past are not encouraging. On all sides one hears of unprecedented losses and the causes, plain enough for all to see, are the recent heavy depreciations in the values of the live and dead stock of the farm, and the wide disparity between costs of production and selling prices....Certainly in England the tendency for some time has been for values to fall, and the farmers' great trouble is that market prices have settled down towards the pre-war level far more readily than costs of production. It is no exaggeration to say that the financial position of a great many farmers is now desperate....It is worth noting that one of the chief factors in keeping up costs of production at the present time is the labor charge on the farm. We may be a little blind to the full significance of this because British farming has in the past been accustomed to comparatively cheap labor. Now it seems that we must turn to Canada and New Zealand and learn how to farm on the basis of dear labor....Co-operation is not a popular word with British farmers. Some ventures in agricultural cooperation have been really successful, but many others have been costly failures. If such experiences have shown anything, they have shown that the chances are against a group of co-operating farmers being able to carry through the work of manufacture and distribution as efficiently, or as profitably, as the private trader....It is impossible to evade the conclusion that, as a rule, farmers will be well advised to stick to their own business of production and leave the final stages of marketing to others. But in the highly organized business world of to-day farmers do need some trading organization to secure fair treatment when they buy and sell. They do not get it now, because they are only so many individuals each with very little bargaining power. To secure the bargaining power that is essential to fair dealing we must build up a certain framework of marketing organization. Farmers will need to undertake the first step in marketing, that is, the marshaling and grading of supplies through their own selling agencies....Farmers need to take over the work of coordination so that they themselves secure some grip on the markets and can exercise some control over supplies and prices. So long as they are content to push their products on the markets regardless of requirements, so long will they play into the hands of dealers and often find themselves accepting prices that are quite unremunerative..."

Compulsory Cooperation

The New Breeder's Gazette for February says: "There is much talk in Washington of 'compulsory cooperative marketing.' This is an anomaly on the face of it. A system of marketing that is compulsory could not be cooperative. Cooperation implies freedom of action and liberty of contract. Cooperation is not to be had through compulsion."

Cooperative Bank Systems

An editorial in The Journal of Commerce for Feb. 8 says: "Senator Brookhart wants to convert our intermediate agricultural credit banks into full-fledged cooperative institutions endowed with the power to issue cooperative notes that would circulate alongside Reserve notes. It is not necessary to waste time discussing this fantastic plan....What the Senator fails to understand when he draws invidious comparisons between the United States and other countries in which systems of agricultural cooperative credit have been

developed to a high degree is that the conditions for the establishment of successful cooperation which are found in some countries are conspicuously absent in the United States. Germany, for instance, has a very highly developed and on the whole extraordinarily successful system of agricultural credit based upon cooperative associations. Germany, however, was able to rely upon a peasantry that had lived long in close contact with the soil, and a landed aristocracy that had remained for generations in the same provinces and districts. The sense of solidarity given by continued residence in one place and the existence of distinct social groups having recognized interests in common made possible strong cooperative organizations of cultivators, both great and small. Moreover, Germany was without the banking facilities that have been developed in Anglo-Saxon countries for the use of all classes in the community, both in the country as well as in the towns. Consequently her cooperative credit organizations were developed to supply a lack--not to supersede existing financial institutions. Without the most rigid control, and no doubt with such control, the sudden blossoming of large cooperative credit institutions upon the unprepared soil of this country would spell disaster...."

Cotton Equalization Fee The surplus cotton crops of 1925 and 1926 almost destroyed the cooperative movement in the cotton producing section of the United States, Dr. B.W.Kilgore, president of the American Cotton Growers' Exchange, Feb. 6 told the House committee on agriculture. He added that the cooperatives are necessary if the practice of cotton growing is to be continued with success. The best way to bring the growers into line, he declared, is to pass a farm relief bill with an equalization fee to take care of surplus crops. He declared that at the present time only about 6 per cent of all of the cotton producers in the United States are members of cooperative associations. (Press, Feb. 8.)

Milling Industry An editorial in Modern Miller for Feb. 4 says: "Flour milling has passed the zero mark of depression and is on a course upward, toward a restoration of profitable milling. This is an opinion expressed by a prominent miller, definitely and with real conviction. The assertion is encouraging, when expressed with real confidence, and some men are gifted with vision and grasp trade trends more quickly than others. Naturally we cast around for confirmatory evidences, and we find a few very substantial ones. Flour export in 1927 made a gain of 1,000,000 barrels over 1926. This was done with a relatively poor crop as compared in quantity with Canada. A million barrels increase in export is a very potent factor in the milling industry of the America...The Modern Miller does not contemplate that milling troubles will vanish, but that they are on the mend, there is real reason to accept as definite."

Rubber Consumption World shipments of rubber from producing countries up to the end of November 1927 totaled approximately 548,770 tons, or a decrease of 8,622 tons as compared with the same period of 1926, according to advices just transmitted to Bankers Trust Company of New York by its British information service. Shipments of plantation rubber totaled 514,628 tons, a decrease of about 9,327 tons from last year, and the balance of 34,142 tons of wild and Brazilian rubber showed an increase over last year of 705 tons. Of the total, British

plantations contributed 174,159 tons, Malayan foreign imports contributed 164,978 tons, Ceylon 51,830 tons and Java, Madura, Sumatra and other countries contributing the balance of 123,661 tons of plantation rubber. It is estimated that during the first eleven months of 1927 the United States retained 372,607 tons of rubber; the estimated requirements of the United States for the entire year were put at 410,000. The requirements of the United Kingdom were out at 45,000 tons for the year, but up to the end of November the estimated tonnage retained was 59,941. France retained 30,457 tons of rubber and gutta percha, as compared with estimated requirements for the year of 34,000; Germany retained 31,576 tons of rubber while the year's estimate was put at 30,000. The total amount of rubber retained by all countries was 578,676 tons. Up to and including November, 40,332 tons of rubber had been consumed in the United Kingdom, and at the end of the month the stock on hand totaled 69,683 tons. During the same period the United States consumed 345,255 tons of rubber and had on hand at the end of the month 101,300 tons. At the same time last year Great Britain's consumption totaled 40,967 tons and she had on hand 45,370 tons while in the United States consumption for eleven months totaled 333,120 tons and 69,386 tons remained on hand.

Town Planning for Motor Needs

Increasing influence of the automobile on modern ways of living is shown by the proposal to lay out and build in New Jersey, less than a score of miles from New York, the "first town on lines corresponding to the needs of the age." The town will be known as Radburn. A city building concern has purchased 1,105 acres of land at a cost of $2,000,000 and plans an expenditure of $50,000,000 to $60,000,000 in creating the town to furnish homes for 25,000 persons. By an original street and parkway plan it is proposed to make the new municipality a safe place for children and pedestrians without restricting motor traffic. Apparently it will be a series of more or less independent communities organically bound together in which children may tramp a half mile to school without crossing a street. Highways, streets, paths and parkways are planned each for its special use. Through highways will be provided for motor traffic which will keep it away from converging with town traffic, to the satisfaction of both motorist and resident. (Economist, Feb. 4.)

Transportation in Britain

After spending some 20,000 pounds on experiments, the London Midland and Scottish Railway has devised a road-rail truck, representing in a modified form the upper part of a railway wagon, which can be exchanged between road and rail vehicles. According to advices just transmitted to Bankers Trust Company of New York by its British information service, this will not only speed up goods traffic but, by providing door-to-door delivery without loading and unloading at stations, will also eliminate packing costs and reduce the risk of damage or loss by theft.

Wisconsin Poultry

An editorial in The Wisconsin Agriculturist for Feb. 4 says: "The world hears a lot about the great Wisconsin dairy industry but a lot of people right here in the State do not appreciate the fact that the poultry business has increased in recent years in about the same ratio as the dairy business. The importance of our poultry industry now rates more than four times that of sheep and just about 50 per cent that of swine, putting the calculation on the dollar basis. The Wisconsin poultry industry is expanding rapidly. Since 1920 there

has been a gain of 20 per cent. The quality of the average flock is improving rapidly, thanks to the operations of the commercial hatcheries and through the use of incubators and brooders, which make it possible to develop a large flock of uniform aged chicks. Better housing for farm flocks has accompanied the increase in the importance of the industry. Just as the dairyman has learned the importance of proper shelter, feed, ventilation and sanitation, so the poultryman has learned that these are necessary if he is to operate on a business basis. The product of the poultry flock on many a farm represents the margin of real profit. Fresh eggs are a delicacy. Fine table fowls are fit to grace any feast. The possibilities of the hen yard are great. The partnership of an intelligent, energetic man or woman and a flock of well-bred hens is one that can usually be counted on to win. Poultry products have generally been considered by-products but, like the by-products of many other industries, they represent a large share of the real profits."

Section 3

MARKET QUOTATIONS

Farm Products Feb. 8. Chicago livestock prices: Steers, $14 to $18.25; cows, common and choice, $8.50 to $11.50; heifers, good and choice, $12 to $14.25; vealers, good and choice, $13.50 to $16.50; hogs, heavy weight, good and choice, $7.90 to $8.20; lights, medium to choice, $7.35 to $8.35; lambs, good and choice, $15 to $16; feeding lambs medium to choice, $13.75 to $15.10.

Grain prices: No.1 dark northern spring wheat Minneapolis, $1.53 to $1.59. No.2 red winter Chicago, $1.48½; Kansas City, $1.43 to $1.47. No.2 hard winter wheat Kansas City, $1.36½ to $1.43½. No.3 mixed corn Chicago, 89½¢; Minneapolis 83 to 85¢; Kansas City 80½ to 84¢. No.3 yellow corn Chicago 90¾ to 91¢; Minneapolis 86 to 88¢; Kansas City 81½ to 84½. No.3 white oats Chicago, 54 to 56¢; Minneapolis 52 3/8 to 53 7/8¢; Kansas City 55 to 57¢.

Maine sacked Green Mountain potatoes $2.25-$2.50 per 100 pounds in city markets; $1.80-$1.90 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.65-$1.75 carlot sales in Chicago; $1.45-$1.50 f.o.b. Waupaca. Florida Pointed type cabbage ranged $1.25-$1.75 per 1½ bushel hamper in the East. Texas Domestic Round type $3 per barrel crate in New York City; $1-$1.10 f.o.b. Lower Rio Grande Valley points. New York Danish type $10-$12 bulk per ton in a few cities. Eastern York apples ranged $6.50-$7 per barrel in the East. Michigan Baldwins $7.50-$8.50 in Chicago; Jonathans $9-$11. New York and Midwestern Yellow onions closed at $2.40-$3 sacked per 100 pounds in consuming centers; very few sales $2.30-$2.40 f.o.b. West Michigan points.

March future contracts on the New York Cotton Exchange advanced 11 points to 17.64¢, and on the New Orleans Cotton Exchange they were up 12 points, closing at 17.44¢. On the Chicago Board of Trade March futures advanced 12 points to 17.42¢. The average price of Middling spot cotton in 10 designated markets advanced 13 points to 17.31¢ per lb. On the same day last season the price stood at 13.56¢.

Wholesale prices of fresh creamery butter at New York were: 92 score, 47¢; 91 score, 46½¢; 90 score, 45½¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 24½ to 25¢. Held Cheese Prices. Flats, 29 to 29½¢; Single Daisies, 29¢; Young Americas, 29 to 29½¢. (Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

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Vol. XXVIII, No. 34 Section 1 February 10, 1928.

SHENANDOAH PARK The Senate yesterday passed the Swanson bill establishing the minimum area of the Shenandoah National Park at 327,000 acres, according to the press to-day. The measure, which now goes to the House, authorizes the Secretary of the Interior to lease land within the park and the Great Smoky Mountain National Park for periods not exceeding two years.

MAIL RATES The restoration of the 1-cent rate for post cards and the establishment of a minimum of 1 cent per piece for third class mail matter were recommended yesterday to the House post office committee by Postmaster General New, according to the press to-day.

KANSAS CITY RAISES BANK RATE The Federal Reserve Bank of Kansas City has raised its rediscount rate from 3½ to 4 per cent, according to the press to-day.

TELEVISION An Associated Press dispatch to-day from New York says: "Trans-oceanic television has been demonstrated successfully, but the newest radio development will require further research before it becomes a practical instrument of modern progress. Television between the New World and the Old was established Feb. 8 when a man and a woman in London, England, seated before a strange electrical eye, were seen by a group of persons in a New York suburb...."

AMERICAN-GERMAN TELEPHONE LINE A Berlin dispatch to-day reports that wireless telephone service will be opened between Germany and the United States to-day with conversations between Berlin and New York and Berlin and Washington. Chancellor Marx will be the first to use the new service. He will talk with the State Department in Washington. The service will be officially opened at 4:30 P.M., Berlin time.

The opening of radio telephone service between Germany and the United States will mark the sixth inauguration of telephone service with European capitals within the last year. Recently service was opened between Washington and The Hague, and also with Brussels. Previous connections had been made with Paris, London and Rome. (Press, Feb. 10.)

POWER AID ON BRITISH FARMS An Associated Press dispatch to-day from London says: "Britain has become more active to the need of providing cheap electricity to aid the farmers. Among proposals being considered are the setting up of a rural electricity parliamentary committee, provision of funds for electrification, cheaper overhead lines and the establishment of a typical rural experimental area."

Section 2

Bankers on Business Outlook

So far this year little tangible evidence has appeared of the improvement in business that has been so confidently predicted, with the exception of the steel and motor industries, says the current issue of the American Bankers Association Journal. It adds: "In the case of steel, mill operations have been increasing steadily and at the beginning of February average around 90 per cent of practical capacity for the United States Steel Corporation, compared with a low of 60 per cent reached last autumn while the leading independent companies have gone up from 50 to 80 per cent during the period. Now business is coming, as usual, from a great variety of demands, but especially from the railroads for freight cars, also for rails, and the motor industry for sheets, while structural shapes are still in good demand and indicate a continuance of large construction again this year. Perhaps even more noteworthy than the rapid stepping-up of steel mill operations is the recent increase in prices of steel products, amounting on average to approximately $1 per ton or 2.5 per cent....Conditions in the motor industry appear similar to those of steel, with the entire industry rapidly increasing employment, speeding-up production, launching sales campaigns and looking forward to making this a new record year in history...."

Calf Club Competition

An editorial in Farmstead, Stock and Home for Feb. 1 says: "The State of North Carolina has received considerable good publicity on account of its record of being the first State in the Union to be officially free from bovine tuberculosis. This same State has also been reported as having the largest county calf club in America. The southerners based their claim upon a calf club of 153 members, each the possessor of a purebred registered calf. Now comes forward County Agent S.A.Aldrich, of Carlton County, Minnesota, with a dairy calf club of 165 members. The Tarheels will have to come again."

Canadian Tobacco

An editorial in Southern Cultivator for Feb. 1 says: "Those Georgians who have watched with growing interest--and perhaps participated in it--the tobacco growing boom in Georgia, may be interested to observe that another tobacco boom of some similarity is being experienced by our neighboring country on the north--Canada. The Dominion, lying in the region of short summers and long, cold winters, is not generally considered in connection with products which our Southland produces, but nevertheless Canada does grow considerable tobacco, manufactures large quantities, and exports much of its crop to one of our best customers, the United Kingdom, which takes from 80 to 95 per cent of Canada's total exports. The total yield of leaf tobacco in Canada increased from 18,710,740 pounds in 1924 to 43,916,700 pounds in 1927, the estimated income to the growers increasing in that period from $4,358,898 to about $10,000,000, or nearly the total value of the 1927 Georgia crop. And the past season across the border was so satisfactory, it is said, that a 'sizeable' acreage, as one agricultural official puts it, will be planted this year...."

Cooperation in New England

An editorial in New England Homestead for Feb. 4 says: "In New England farmers' somewhat hectic experience with cooperation in recent years, it is reassuring to see the New England Milk Producers' Association go steadily forward. Despite the untimely passing of that nationally recognized dairy leader, Richard Pattee, our New England

milk producers continue to carry on the undimmed torch of associated effort under the excellent leadership of Manager W.P.Davis and his associates. Cooperation among us the past two or three years has been traveling a pretty rough road. The big Maine potato growers' exchange went to the wall. The Providence (R.I.) farmers' exchange that for a time flourished as the green bay tree,failed. The Maine poultry and egg association piled up in the ditch. The Connecticut tobacco growers' association barely escaped receivership to close up its affairs. Those were major efforts that failed, not to mention some of the smaller ones. Yet the spark of cooperation burns brightly--perhaps more brightly than ever before. Farmers rightly seem to charge the losses up to experience and declare they know now what not to do. That knowledge is thought for a subsequent editorial....Hence we all rejoice in seeing the NEMPA carry on the spirit of cooperation...."

Corn Borer Control

An editorial in Farmstead, Stock and Home for Feb. 1 says: "All that can be said for the expenditure of ten million dollars last year in fighting the European corn borer is that its spread into new territory was less than in any year since it has been with us. This coming after the large gain in 1926 shows the money was not wasted, for the spread in Quebec and Ontario was nearly as large as the gain in territory made by the borer in the United States during 1926. The corn raising area of Ohio is now almost 80% infested and considerable territory was gained by the pest in Indiana during the past year. The borer has not yet appeared in Illinois or Wisconsin, but there is a spot in the extreme southwestern corner of Michigan, just across Lake Michigan from Illinois, where it appeared for the first time last year. There is every reason to expect the appearance of the borer in northeastern Illinois this year. If the advance of the borer can be kept as slow as it was last year, it will be several years before it will reach Minnesotator Iowa and still longer before it will get to South Dakota and Nebraska. In the meantime some method of eradicating it may be found....Corn is the foundation of our Middle-West agriculture, so if the borer wins and it becomes necessary to abandon corn, or produce it at greatly increased cost because of methods needed to hold the borer in check, the economic effect on farming in the Corn Belt will be serious. The battle against the borer must go on and the Government should furnish the funds."

Fertilizer Combine Investigation Asked

A Columbia, S.C., dispatch Feb. 9 says: "Legislative investigation of an alleged unlawful combination by fertilizer companies to maintain prices above a competitive level was proposed in the legislature Feb. 8 by Representative James L. Love, of Greenville, and Representative J. Ed. Harley of Barnwell....The following companies were named as participating in the alleged combination: Armour & Co., Swift & Co., Virginia-Carolina Chemical Corporation, American Agricultural Corporation, Royster Guano Co., Georgia Chemical Co., Southern State Phosphate & Fertilizer Co., Southern Cotton Oil Co. ' and other companies and corporations.' It is alleged that the companies all quote identical prices."

Lindbergh on Haitian Agriculture

Col. Charles A. Lindbergh, writing from Port au Prince to The New York Times Feb. 8, says: "....After passing fields thick with sugar cane we stopped to visit Damien Agricultural College, a short distance north of the Capital. It was built a few years ago, and work has

already been started on a wing to the main building, more than doubling its capacity. Many young Haitiens are being trained here in the methods of modern agriculture. I went through part of the experimental farm connected with the school and saw fields of sugar cane and sweet potatoes and groves of banana trees. One thing which struck me was that the type of cotton there was quite different to what I have been accustomed to seeing in the United States. Instead of bushes, it grows on trees eight to ten feet high and does not require replanting each year. In fact, I am told that it grows luxuriantly, and even often wild in Haiti, and produces a very good grade of cotton. Many other tropical plants are also being grown and work is being done to improve the livestock...."

Muscle Shoals Legislation

Manufacturers Record for Feb. 9 says: "The principal features of the excellent plan suggested by Secretary of Agriculture Jardine for the solution of the long Muscle Shoals wrangle have been embodied in a bill known as H.R. 10028, and introduced into the House by Representative John M. Morin, chairman of the committee on military affairs. The plan of operation should satisfy all parties and groups interested in Muscle Shoals that have no selfish private purposes. When the principal demands made for the use of the Muscle Shoals properties are analyzed, they are found to fall under three main headings, as follows: 1. National defense; by manufacture of nitrates for explosives. 2.Cheap fertilizers in time of peace, from aforesaid nitrates. 3. Distribution of at least a portion of the power, like that from any other power plant. The plan provided for in the Morin bill appears to reconcile all of these demands in a sound and sensible fashion...."

Potato Industry in South

An editorial in Modern Farming for Feb. 1 says: "There is now before Congress a bill, the passage of which would provide for field testing stations located throughout the United States at which different strains of the Irish potato would be tested for yield, for disease resistance, for adaptability, and for other characteristics of economic value. George Tiebout, horticulturist of the extension division of the University of Louisiana, comments upon this pending legislation as follows: 'This bill is of direct interest to Louisiana potato growers. The establishment of such a station in Louisiana would mean a continuation of the work begun years ago at the experiment station here with testing the various strains of certified Triumph seed for their special adaptability to our conditions and their relative freedom from mosaic disease.' We heartily agree with Mr. Tiebout. And in passing we might point out that he has done more than any other one man for the Irish potato industry of the South. For years now he has hammered home the necessity of improved strains, of certified seed stock, and right cultivation. He has been flooded with blame and with praise, as any man active in a worthy cause must be. He has had to face the vicious attack of those who profit by keeping the farmer ignorant of the vast difference between good seeds and seeds called good; he has had also the heart-breaking task of overcoming the inertia of those with whom he worked, and who nominally were with him. Through all of this he has stuck to one aim: To educate Louisiana and the South to the value of certified Irish potato seed, and the importance of improved strains...."

Wool Institute American Wool and Cotton Reporter for Feb. 9 states that the Wool Institute, Inc., will be formally organized at an all-day session to be held on Wednesday, Feb. 15, at the Hotel Roosevelt, New York. Permanent officers and directors will be elected and at group meetings in the afternoon there will be discussions on the most vital pressing merchandising problems of the industry. It is stated that 47 per cent of the country's loomage has already pledged its support to the movement. Executives controlling this amount of loomage constitute the Wool Institute's organization committee, of which A.D.Whiteside is the temporary chairman.

Section 3
MARKET QUOTATIONS

Farm Products Feb. 9. Livestock prices: Steers, good and choice, $13.75 to $18.25; cows, good and choice, $8.75 to $11.50; heifers, good and choice, $12 to $14.25; vealers, good and choice, $14 to $17; heavy weight hogs, medium, good and choice, $8 to $8.35; lights, medium to choice, $7.50 to $8.55; lambs, good and choice, $15 to $16; feeding lambs medium to choice, $13.75 to $15.10.

Grain prices: No.1 dark northern spring wheat Minneapolis $1.54 1/8 to $1.59 1/8. No.2 red winter Chicago $1.49½; Kansas City $1.44 to $1.48. No.2 hard winter Kansas City $1.37½ to $1.44. No.3 mixed corn Chicago 90½¢; Minneapolis 84 to 86¢; Kansas City 81½ to 85¢. No.3 yellow corn Chicago 92 to 92¾¢; Minneapolis 87 to 89¢; Kansas City 83½ to 86½¢. No.3 white oats Chicago 54½ to 57¢; Minneapolis 52 3/8 to 53 7/8¢; Kansas City 54½ to 56½¢.

Maine sacked Green Mountains potatoes $2.20-$2.50 per 100 pounds in city markets; $1.85-$1.90 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.65-$1.75 carlot sales in Chicago; $1.40-$1.55 f.o.b. Waupaca. New York Baldwin apples ranged $7-$7.50 per barrel in a few eastern cities. Michigan Jonathans $9-$11 per barrel in Chicago. Eastern Yorks $6.50-$7.25 in New York City. New York Danish type cabbage ranged $10-$12 bulk per ton in consuming centers; $6.50-$7.50 f.o.b. Rochester. Florida Pointed type $1.25-$1.50 per 1½ bushel hamper in the East. New York and Midwestern sacked yellow onions closed at $2.25-$3 per 100 pounds in city markets; $2.30-$2.40 f.o.b. Rochester.

March future contracts on the New York Cotton Exchange advanced 8 points to 17.72¢ and on the New Orleans Cotton Exchange they were unchanged at 17.44¢. On the Chicago Board of Trade March futures advanced 4 points, to 17.46¢. The average price of Middling spot cotton in 10 designated markets advanced 9 points to 17.40¢ per lb. On the same day one year ago the price stood at 13.49¢.

Wholesale prices of fresh creamery butter at New York were: 92 score, 47¢; 91 score, 46¢; 90 score, 45½¢.

Wholesale prices of No.1 fresh American cheese at New York were; Flats, 24½ to 25¢. Held Cheese Prices. Flats, 29 to 29½¢; Single Daisies, 29¢; Young Americas, 29 to 29½¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXVIII, No. 35 Section 1 February 11,1928.

SHENANDOAH PARK BILL — The House yesterday passed the Swanson-Harrison bill, previously passed by the Senate, reducing the area of the Shenandoah National Park from 416,000 acres to 327,000 acres. (Press, Feb. 11.)

BUILDING FUND — The House yesterday completed Congressional action on the Elliott bill to increase from $165,000,000 to $290,000,000 the amount to be expended for new public buildings throughout the country. Action was completed by approving the conference report on the measure. (Press, Feb. 11.)

SATURDAY HALF HOLIDAY PROPOSED — Five classes of employees of the Federal Government would be granted a half-day holiday on Saturdays throughout the year, under the terms of a bill introduced in the Senate yesterday by Senator Jones, of Washington. The five classes are laborers, helpers, skilled and semiskilled workmen and mechanics. (Press, Feb. 11.)

ONION TARIFF — Onion growers from many sections of the country testified before the Tariff Commission Feb. 9 in an effort to obtain a 50 per cent increase of the import duty on that vegetable under the flexible provisions of the tariff act, according to the press to-day.

PAN-AMERICAN RELATIONS — A Buenos Aires dispatch to-day says: "It was learned last night on what is considered the most reliable authority that Argentina will not insist on the demand of her delegation at the Pan-American conference at Havana that the question of economic factors be included in the preamble of the projected Pan-American Union convention. New instructions were dispatched last night to Doctor Pueyrredon, head of the Argentine delegation at Havana, who has brought about a deadlock in the Pan-American conference by his advocacy of the removal of tariff barriers among the American Republics.

RUBBER INQUIRY — A London dispatch to The New York Times to-day says: "The Government is taking steps to discover how New York speculators learned of a decision reached by the British Cabinet several weeks ago. The Cabinet decided to inquire into the feasibility of continuing the Stevenson rubber restriction scheme, and an announcement of the decision was to be made in the House of Commons Monday. New York learned of the decision Wednesday and discounted it in the market at the expense of English traders. When news of the leak reached London the Cabinet announced its decision immediately. It is estimated that the leak cost English traders 1,170,000 pounds."

Section 2

Armour Business The Wall St. Journal for Feb. 10 says: "Armour & Co. entered the current fiscal year under auspicious circumstances. Earnings thus far have been substantially in excess of those for the corresponding period a year ago. Indications are the remainder of 1928 will be decidedly favorable, marking a complete turnabout from the situation which prevailed in the twelve months ended October 29, last, when the company reported net of $538,175 after interest, depreciation and taxes, but before preferred dividends, or a deficit of $8,630,339 after payment of these dividends. Besides the settlement of the meat trade war in the South American field, in which Armour is one of the principal operators through its Delaware subsidiary, other factors contributing to the optimistic outlook are lower prices for hogs as compared with a year ago; prospects of good fertilizer, leather and by-products businesses, and better prices for wool which has has an extremely active market recently with prices advancing from 5% to 10%. Fresh pork has been in good demand, as has been smoked meat, the latter at prices well above levels prevailing a year earlier...."

Automobile Industry An editorial in The Wall St. Journal for Feb. 10 says: "American automobile industry has set a new record in the export field. The Department of Commerce announces that the exports of automotive products in December amounted to $28,650,046. While this is slightly less than the November exports, it was sufficient to bring the total for the calendar year up to $406,007,984. Compare this with $337,458,157, which was the total for 1926, and the claim to another great record is clearly established. Figure the percentage and the magnitude of the record will then become more apparent. It is a 20 per cent gain in the year. That is not all. Production in the United States, for well-known reasons, fell off over 900,000 units in the year....Some interesting figures are to be gleaned from the official report. The value of the passenger cars in December averaged $869 and trucks $794. There were far less of the cheap cars shipped in December than in 1926 and those above $2,000 almost doubled in number. Cars ranging from $800 to $1,200 held first place in number and total value. Argentina and Australia still hold first and second places in importance as markets. They not only took more cars and trucks, but also the total value was greater. But a new market is appearing on the scene. Belgium now holds third place. In December, 1926, Belgium took 520 cars valued at $543,000. In December, 1927, the number was 1,332, valued at $1,293,000. The Belgian increase undoubtedly reflects improved economic conditions there...."

Business Outlook The general business outlook for 1928 appears to be shaping up to indicate a year not unlike 1927, "that is a prosperous year, with active business, heavy movement of goods and satisfactory earnings for the strong, aggressive concerns," says the current issue of the American Bankers Association Journal. It adds: "Underlying conditions are undeniably sound, and agriculture, which represents such an essential part of the foundation for prosperity, had last year one of the most profitable harvests in a decade. The money situation is satisfactory and whether rates are somewhat firmer than last year need make little difference to industry and commerce at large. Although no material improvement in industry has become apparent to date, with the exceptions of the steel and automobile trades, it is hardly expected as early as February, so the present quietness gives no grounds for pessimism...."

Cottage Cheese Industry in Northwest

An editorial in The Oregon Farmer for Feb. 2 says: "The growth of the cottage cheese industry in the Pacific Northwest is demonstrated by a single illustration. A dozen years ago A.J.West of Portland made cottage cheese and delivered it in ordinary tin buckets. This was the beginning of the Red Rock Company which now has six plants and annually uses a total of 45,000,000 pounds of milk, nearly a million pounds a week. In other words, this means a total of 2,200 carloads or 50 trainloads of 44 cars each. Cottage cheese is becoming rapidly a food of primary importance on the Pacific Coast. It is also stated that this section of the country uses 10 times the amount of cottage cheese used per capita in any other section of the country."

Farm Credit

Answering a statement made by Senator La Follette to the effect that farmers and ordinary business men were unable to obtain credit on reasonable terms, an editorial in The Magazine of Wall Street for Feb. 11 says: "...In the first place, credit is abundant and cheap to those who need it and can qualify for it, this including the farmer as well as the business man. In the second place, the condition of the farmer has improved greatly during the past year so that he does not require credit on so large a scale as formerly. In the third place, business activity has declined to a point which has reduced the size of ordinary commercial demand for credit. In the fourth place, the addition to brokers' loans represents the use of funds which, under recent conditions in business, could not be put to work profitably otherwise. Senator La Follette's contention is that in some mysterious way Wall Street has deprived business and agriculture of the necessary funds with which to do business and that it has used these funds for stock operation. But if Senator La Follette were acquainted with financial conditions, he would know what Wall Street really wants and needs is a healthy condition in business and agriculture and that, without great cost to itself, it would not willingly contribute to a situation which would lower the Nation's earning power...."

Laggard Industries

An editorial in The Magazine of Wall Street for Feb. 11 says: "Three industries stand out at present as being unable, apparently, to cope with the problems which have beset them in the past few years. These are the bituminous coal industry, sugar and petroleum. Except in a few isolated cases, companies in these industries have incurred losses during the past year and their more immediate outlook seems far from prepossessing. The sugar industry seems closest from extricating itself from its present position owing to efforts made to come to some sort of cooperation among the more important factors in the industry. It seems possible that some time this year the position of the industry may become improved as a result of these efforts. The petroleum industry is still struggling with overproduction and low prices but the seasonal increase in demand is almost at hand and at least temporary improvement may be expected. The soft coal industry, however, seems in a fundamentally hopeless position. Beset by acute labor troubles and intense and uncontrollable competition (except through Government action) it does not appear that 1928 will represent any improvement for this industry over the depressing results for the past year."

Natural Beauty Preservation

An editorial in New England Homestead for Feb. 4 says: "New America was settled with the ideas of religious freedom and personal liberty strongly predominant. But in this age of automobiles and liberty loving generations personal liberty has been terribly overdone. No better evidence of this situation can be found than our highways and scenic routes that are literally plastered with great bill boards, unsightly shacks, and signs of all shapes, sizes, and description....It can be said with considerable satisfaction that most people prefer natural beauty. Already the rebellion against this disfigurement of our natural heritage has expressed itself. As an additional movement it is gratifying to learn that the Massachusetts forestry association is sponsoring a bill in the present State legislature which will create a system of zones along our State highways that are not already zoned by the towns bordering them. Any use other than that for agricultural or forestry purposes of these zoned areas must first receive the official sanction of the town selectmen or building inspector. Action of this nature is urgently needed, particularly if the plan of the New England council to develop New England's recreational resources is to be successfully carried out."

Rural Social Facts

E. C. Lindeman, writing under the title "Revealing Rural Social Facts" in The Survey for Feb. 15, says: "It can no longer be said truthfully that the whole of Government expenditure on behalf of agriculture goes toward the discovery of facts about farm animals; farm folks have at last been recognized as a part of the rural problem. True, the amount of money spent upon social research is still infinitesimal when compared with the total which goes for soils, crops and animals but since the enactment of the Purnell bill small allotments have been made to the rural sociologists, and they are beginning to publish a set of interesting facts. They were already at work prior to the Government's official sanction but henceforth we may expect to see their productions multiply. The group of rural sociologists who appear to be digging beneath the surface of rural stereotypes (J.H. Kolb of Wisconsin, Dwight Sanderson and Bruce Melvin of Cornell, Carl C. Taylor of North Carolina, C.E.Lively and Perry P. Denune of Ohio, Wm. Edw. Garnett of Virginia, Carle Zimmerman of Minnesota, H.W.Mumford of Michigan, et cetera) seem to be chiefly concerned with facts which reveal the character of the rural population, its standard of living, and its various social relationships." The author here gives a list of research bulletins, and continues: Most of these studies have been conducted under cooperative arrangements with the Division of Farm Population and Rural Life of the United States Department of Agriculture and consequently we may anticipate some future attempt at correlation and generalization....Most recent of the Ohio State University publications is the study by Perry P. Denune of the relations of farmers with their nearby towns. Here we have a set of significant facts....In spite of popular opinion, there is very little social cleavage between farmers and townspeople. There is a class-consciousness between owner-farmers and tenants and farm laborers and this is, perhaps, more marked than any other form of class feeling. Slightly different patterns of behavior are to be noted among these groups; for example of all the farm families studied, 88.6 per cent owned automobiles, while only 60 per cent of the farm laborers owned cars. Farm laborers, consequently, did more of their trading in the country or hamlet stores, and farm tenants purchased a relatively larger portion of their goods from mail-order houses. These are,

however, distinctions which the author of the bulletin does not emphasize. On the other hand, Mr. Denune does make the point that while a friendly social relation exists between farmers and townspeople, this is not equally true on the economic level....The probable meaning of this paradoxical conclusion is that economic activities have somehow become separated from the social whole of which they are a part: farmers and town merchants do not feel any compulsion to socialize their economic life. And, from the psychological point of view, this is probably the crux of the so-called agrarian problem: the farmer continues to believe himself to be an exploited man. And, who indeed is prepared to deny the validity of his conviction?"

Section 3
MARKET QUOTATIONS

Farm Products Feb. 10: Grain prices: No.1 dark northern spring wheat Minneapolis, $1.54 1/8 to $1.59 1/8. No.2 red winter Chicago, $1.50; Kansas City $1.44 to $1.48. No.2 hard winter Kansas City $1.37½ to $1.43½. No.3 mixed corn Chicago 91¢; Minneapolis 83 to 85¢, Kansas City 82 to 84½¢. No.3 yellow corn Chicago 93 to 94¢, Minneapolis 86 to 88¢, Kansas City 83½ to 86¢. No.3 white oats Chicago 54 to 57¢, Minneapolis 52 1/8 to 53 5/8¢; Kansas City 54 to 56¢.

Livestock prices: Steers, good and choice, $13.50 to $18; cows, good and choice, $8.75 to $11.50, heifers, good and choice, $12 to $14.25, vealers, good and choice, $14 to $17, heavy weight hogs, good and choice, $7.90 to $8.35; light hogs, medium to choice, $7.50 to $8.50; lambs, good and choice, $15 to $16, feeding lambs, medium to choice, $13.75 to $15.10.

Maine sacked Green Mountain potatoes closed at $2.10-$2.50 per 100 pounds in the East; $1.80-$1.90 f.o.b. Presque Isle; Wisconsin sacked Round Whites $1.65-$1.75 carlot sales in Chicago; mostly $1.45-$1.55 f.o.b. Waupaca. Eastern York apples $6.50-$7.50 per barrel in a few cities. New York Baldwins $7-$7.50 in New York City; few sales $6.50-$6.75 f.o.b. Rochester. New York and Midwestern yellow onions $2.40-$3 sacked per 100 pounds in consuming centers; few sales $2.25-$2.35 f.o.b. West Michigan points. Florida Pointed type cabbage $1.25-$1.75 per 1½ bushel hamper in the East. New York Danish type $11-$15 bulk per ton in terminal markets; $6.50-$7 f.o.b. Rochester.

March future contracts on the New York Cotton Exchange advanced 22 points to 17.94¢, and on the New Orleans Cotton Exchange they were up 31 points, closing at 17.75¢. March future contracts on the Chicago Board of Trade advanced 25 points to 17.71¢. The average price of Middling spot cotton in 10 designated markets advanced 24 points to 17.64¢ per lb. On the same day in 1927 the price stood at 13.45¢.

Wholesale prices of fresh creamery butter at New York were: 92 score, 46½¢; 91 score, 46¢; 90 score, 45¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 24½ to 25¢. Held Cheese Prices. Flats, 29 to 29½¢; Single Daisies, 29¢; Young Americas, 29 to 29½¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

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Vol. XXVIII, No. 36 Section 1 February 13, 1928

FARM RELIEF LEGISLATION

The press of Feb. 12 reports: "The Senate agriculture committee has decided definitely to do away with hearings on farm relief, believing the extensive discussions of years past and of those conducted this session before the House committee will serve its purpose in reconsidering agricultural legislation. The new bill of Senator McNary, who is chairman of the agriculture committee, meets some of the objections voiced by the President a year ago in vetoing the McNary-Haugen measure, but it still provides for collection of an equalization fee as a means of obtaining revenue to market the surplus crops."

ECONOMIC SURVEY COMMITTEE NAMED

A committee of industrial leaders and economists was appointed Feb. 11 by Secretary Hoover to take charge of the survey of economic changes in the United States. Funds amounting to $150,000 have been privately advanced for the enterprise, and the Bureau of Economic Research at New York will perform the work. Under Mr.Hoover's chairmanship, the committee will include Walter F. Brown, Assistant Secretary of Commerce; William Green, president of the American Federation of Labor; John Lawrence, president of the New England Council; Max Mason, president of the University of Chicago; Adolph C. Miller, vice governor of the Federal Reserve Board; Lewis E. Pierson, president of the Chamber of Commerce of the United States; John J. Raskob, vice president of the General Motors Corporation; A. W. Shaw, Chicago, Ill.; Louis J. Taber, master of the National Grange; Daniel Willard, president of the Baltimore & Ohio Railroad; George McFadden, Philadelphia; Clarence M. Woolley, New York City, and Owen D. Young, New York. E.E.Hunt has been designated secretary and the first meeting called for February 21 in New York. (A.P.,Feb. 12.)

THE PRESIDENT AND FLOOD CONTROL

President Coolidge had another conference on the flood problem at the White House Feb. 11, according to the press of Feb. 12. No specific proposals were made, but those present gained the information that his position could not be changed by the arguments in favor of the Federal Government bearing the entire construction expense in accordance with plans which calls for twice the amount recommended by the Army Engineers.

PAN-AMERICAN RELATIONS

An Associated Press dispatch from Havana to-day says:"The possibility of another deadlock in the deliberations of the Pan-American Congress was seen yesterday in the announcement by Dr. Gustavo Guerrero, chief of the Salvadorean delegation, that he would continue to maintain that intervention of one State in the internal affairs of another should be prohibited internationally, without exception. An identical attitude on the part of Dr. Honorio Pueyrredon, of Argentina, has prevented a subcommittee studying the fundamental rights and duties of countries from coming to any decision....Doctor Pueyrredon reiterates his stand against intervention..."

Section 2

British Agriculture

An editorial in Country Life (London) for Jan. 28 says: "The Government has had more than its fair share of kicks, but this much is to be said in its favor, that by steadfastly refusing to depart from the policy originally expounded by the Prime Minister, it has now made the agricultural industry realize the futility of waiting for the spoon. Feeling still runs high, however, in East Anglia, and the Minister of Agriculture was recently invited to go down to Suffolk to defend his policy. It says much for his courage that he went, for, of all tasks, Mr. Guinness has had one of the most unenviable. 'Emphatic dissatisfaction with the present Government's so-called agricultural policy' was the substance of the resolution to which Mr. Guinness was invited to reply. Resolutions of this kind are futile, and the sooner this is realized the better for the industry. It is the duty of the farmer to farm, and it is the duty of the Government to govern. At one stage derisive laughter greeted the Minister's remarks as to the money spent by the Government on agricultural research--but this attitude is, fortunately, not typical of the whole country. The fruits of research are being widely appreciated, and this is all to the good.... A Dominion farmer, who has returned to this country after many years' absence, has commented unfavorably upon our agriculture recently. He makes the somewhat startling assertion that he has not been able to find the degree of progress which one would look for, and that 'there is still less evidence of progress in the business of farming.' This is not a novel criticism. It has been very frequently made by the Colonial visitor to this country, and it is a very fair criticism. The only hope for the future of British agriculture is that this kind of criticism should be taken to heart and that farmers should put their hands to the task of building up an organization which would insure a fairer distribution of profits. This problem is the most urgent one of the moment. The problem is a big one, but it is not insuperable... The Times has recently set out the case for a reorganization of British meat production....Under a modern and organized scheme of meat marketing, it is possible that the existing fat stock markets would be relics of the past. Central abattoirs, where efficient grading of supplies would take place, would provide the retail trade with their requirements in the same way that the imported meat is available to retailers...."

City-Manager Plans

Clinton Rogers Woodruff writes at length on the city-manager plan in The American Journal of Sociology for January. Most of the studies of the city-manager plan in operation have given a favorable verdict, the author affirms. The St.Joseph (Missouri) study in 1925, the Sacramento (California) study in 1920, Louis P. Head's study in 1927, and Professor Leonard D. White's study in 1926 are some of the major inquiries conducted. Dayton, Cleveland, and Cincinnati show ample evidence of success of the plan and a favorable public opinion. In Kansas City the plan is still on trial. Most of the traditional objections to the plan, including the claim that it is undemocratic, are without substantial foundation. The increasing continuity of service and level of salaries are gratifying indices of the fact that the professional city manager is coming into his own.

Corn By-Products

An editorial in The New York Times for Feb. 10 says: "The old farm cycle in the corn belt used to be made graphic by the story of the farmer who bought land to raise corn, to feed hogs, to buy more land, to raise more corn, to feed more hogs. But the farmer no longer revolves in this expanding circle. He has generally had difficulty of late in maintaining profitably even the diameter and circumference of whatever circle of farm land he cultivated a few years ago. But a report from Professor O.R.Sweeney of Iowa State College, in the midst of the corn belt, gives hope that the farmer may some day find profit without expansion of his acres if only he makes the most of his corn--more than if he fed it to hogs. If the two hundred million tons of cornstalks and the million tons of corncobs which now go to waste annually were utilized in ways suggested as a result of experimental studies made by the chemists and engineers, a billion dollars of new wealth would be gathered out of the cornfields. The following are some of the useful products into which these unharvested stalks and discarded cobs might be converted: paper of several grades, papier-mache, wall-board and other substitutes for building lumber and even for hardwoods for furniture, rayon, acetic acid, acetone, sugar for the special use of those afflicted with diabetes, a synthetic 'maple syrup,' oxalic acid, plastic materials, electrical and heat insulation, and furfural...."

Distribution

More economical distribution of the country's merchandise, made possible by new business methods in important branches of trade, will be the chief theme of the National Wholesale Conference which begins in Washington tomorrow under the auspices of the Chamber of Commerce of the United States. Two hundred outstanding business men in the wholesale field will meet to exchange facts and consider the opportunities and needs of the immediate future. Among the subjects for discussion are the present status of wholesaling, services performed in different trades, the place of wholesaling in distribution and its relation to industry as a whole. Groups of wholesalers from many trades will attend the conference on February 14 and 15, presenting a cross-section of the country's business. Wholesale trade associations have held special meetings as a preliminary to sending representatives. The tentative list of subjects centers about four chief topics--wholesale functions and services, economic factors affecting wholesaling, business analyses, and financial aspects.(Press statement, Feb. 13.)

Farm Fires

An editorial in The Journal of Commerce for Feb. 11 says: "A Canadian fire insurance authority has discovered a new index by which to measure farm prosperity. He has listed for the Province of Ontario the number of farm barn fires and the losses involved during the years 1918 to 1927. There is a very convincing correlation shown between fluctuations in these totals and variations in the value of farm property. In the first three years, 1918 to 1920, inclusive, annual losses were relatively low and declining. Farm products, grain and livestock were then increasing rapidly in value. 'It did not pay to have a fire while the excessive profits coined out of the necessities of the war were possible.' During the next three years, however, farmers were struggling against deflation and trying to cover interest charges on inflated mortgage debts. As expected, barn fires and losses registered a peak figure in 1923, steadily advancing from 992

fires in 1921, with a loss slightly over $2,000,000, to 1,092 fires in 1923 with losses of approximately $2,600,000. Since then the movement has been steadily downward to 557 fires in 1926, with losses of $1,200,000. The comment of an expert made cynical by experience is that 'farm losses are once again on a normal basis and economic failure has ceased to be a serious factor with which underwriters must contend.' Thus it appears that barn fires are well worthy careful study of students of farm trends."

Land Grant Case

The Department of Justice, in an opinion handed down at Washington, Feb. 9, on the land grant case of the Northern Pacific Railroad, recommended to Congress that title to the disputed 3,000,000 to 5,000,000 acres be declared forfeited and that suit be instituted in the courts to bring about a final adjustment. The press report says: "Both the Government and the railroad company claimed they were entitled to part of the lands which were included in an original grant of 44,000,000 acres to the railroad company. The Government claimed return of 3,000,000 to 5,000,000 acres on the ground that forest preserves, mineral deposits and Indian lands had been improperly transferred. On the other hand, the railroad company contended that if the lands claimed by the Government were taken, additional acreage should be allotted to the amount taken."

Locusts in Egypt

A Cairo dispatch Feb. 11 states that following an invasion of locusts on the Sudan-Egyptian frontier, which is being fought by means of poison gas, the news now comes of an appearance of these insects in Palestine, whence they are making their way toward Egypt via the Sinai Peninsula.

Woodruff-McNary Bill

An editorial in The Washington Post to-day says: "The Woodruff-McNary bill, carrying authorizations for appropriations totaling $40,000,000 to be expended in eight years for the acquisition of cut over and denuded lands at the headwaters of navigable streams, passed the Senate last week carrying an amendment limiting the purchases to 1,000,000 acres in any one State, except when necessary for protection of headwaters of navigable streams or the control of floods therein. A letter from the Secretary of Agriculture inserted in the record carries a note from the Director of the Budget to the effect that if the appropriations were limited to not over $2,000,000 for the fiscal year 1929 and 1930, the bill would not be in conflict with the financial program of the President. House hearings on the measure are to be held within the next few weeks, and it is expected that when the bill reaches the floor an amendment will have been added reducing the appropriations to within the limits of the budget. It seems unlikely that $40,000,000 would cut much of a figure in the purchase of the denuded and cut-over lands at the headwaters of navigable streams throughout the United States. It is possible that Government ownership and retimbering of such areas, if carried on on an extensive scale, would aid materially in flood control, but it should be obvious that flood prevention is too much of a problem to be solved for the appropriation of $40,000,000. The expenditure of this sum can be justified only as an experiment."

Section 3
MARKET QUOTATIONS

Farm Products Feb. 11. Livestock prices: Heavy weight hogs, good and choice, $7.90 to $8.40, lights, medium to choice, $7 to $7.75.

Grain prices: No.2 red winter Chicago $1.50½; Kansas City, $1.44 to $1.48. No.2 hard winter Kansas City, $1.38½ to $1.44. No.3 mixed corn Chicago, 91½¢; Kansas City 81 to 85½¢. No.3 yellow corn Chicago, 93½ to 94½¢; Kansas City 84 to 86½¢. No.3 white oats Kansas City 54 to 56¢.

Maine sacked Green Mountain potatoes 5¢-10¢ higher at $2.25-$2.50 per 100 pounds in eastern cities; bulk stock 5¢ higher at $1.70-$1.75 f.o.b. Presque Isle. Wisconsin sacked Round Whites 10¢ higher at $1.65-$1.75 carlot sales in Chicago; $1.35-$1.50 f.o.b. Waupaca. Apples 25¢-50¢ higher. Eastern Yorks $6.50-$7 per barrel in Baltimore. New York Baldwins $7-$8.50 in a few cities; few sales $6.75-$7 f.o.b. Rochester. Michigan Jonathans $9-$11 in Chicago. Onions lower in the East; slightly higher in the Middle West. New York and midwestern sacked yellow varieties $2.40-$2.75 per 100 pounds in consuming centers; 10¢ higher at $2.40-$2.45 f.o.b. West Michigan points. Cabbage markets firm. New York Danish type $12-$15 bulk per ton in terminal markets; $7-$7.50 f.o.b. Rochester. Florida Pointed type $1.50-$1.75 per 1½ bushel hamper in a few cities.

Average price of Middling spot cotton in 10 designated markets advanced 7 points, closing at 17.71¢ per lb. March future contracts on the New York Cotton Exchange advanced 6 points to 18¢, and on the New Orleans Cotton Exchange they were up 9 points, closing at 17.84¢.

Wholesale prices of fresh creamery butter at New York were: 92 score, 46¢; 91 score, 45½¢; 90 score, 45¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 24½ to 25¢. Held Cheese Prices. Flats, 29 to 29½¢; Single Daisies, 29¢; Young Americas, 29 to 29½¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXVIII, No. 37 Section 1 February 14,1928.

MEREDITH ON MAIL RATES

Former Secretary of Agriculture, Edwin T. Meredith, told the House post office committee yesterday that the Post Office Department was following a "penny wise, pound foolish" policy in continuing high rates on second and third class mail. (Press,Feb.14)

IMPORT POOL LEGISLATION

Pooling of interests for the importation of raw products, such as rubber, sisal and potash, without incurring the penalties of the anti-trust law would be permissible under the terms of the Newton bill, ordered favorably reported yesterday by the House judiciary committee as an amendment to the Export Trade Act of 1918, which permits American corporations to combine for purposes of export. The Newton proposal would apply the same principle to imports. "The bill is drawn to apply to commodities produced abroad that are subject to monopolistic control, governmental or otherwise," said Mr. Newton.

PAN AMERICAN RELATIONS

A Havana dispatch to the press to-day says: "The attempt of Argentina to break down tariff walls and economic barriers was defeated yesterday in the meeting of the Pan American Conference Committee on the Pan American Union. The committee is attempting to frame a treaty to be submitted to the States comprised in the union which will give force to the organization of the union such as it does not now possess....The preamble to the treaty was finally adopted without reference to economic barriers and it was suggested that the treaty be submitted to the States without the signatures of the delegates, thus avoiding the embarrassment which would be created by the refusal of Doctor Pueyrredon to sign it...."

FRENCH TARIFF AND FARM PRODUCTS

A Paris dispatch to the press of Feb. 12 says: "The new French tariff bill, fostered by Premier Poincare and substantially increasing the duties on a considerable number of American items of import, will probably come before the chamber for final action at the end of next week. American officials are still anxiously awaiting details of the new measure, which is now before the Tariff Commission of the chamber, but it is known that the tariffs on wheat, cattle, meat, cast iron, crude steel, canned and dried fruits and a large selection of manufactured products, many of which come from the United States, have been revised upward, in most cases fourfold....The bill completes the decree of Nov. 1, which raised the duties on wheat, cattle, meat and other agricultural products. American meat packers and wheat importers were hard hit at that time. The new bill will further raise the rates on these commodities, the explanation being that the increases are merely taking into account the devalorization of the French currency since 1914. The increased duties on agricultural produce will be completed by corresponding increases in the duties on foodstuffs, on the logical plea that since the raw materials have been increased the products derived from them must also be increased...."

Section 2

Bank Rate Increase and Farmers

A prediction that the recent raising of rediscount rates by a number of Federal Reserve banks will have an unfavorable effect upon the farmer, particularly the cotton grower, was made by Charles J. Brand, executive secretary of the National Fertilizer Association, in a letter sent Feb. 12 to Governor Young, of the Federal Reserve Board. Increasing the rate from 3½ to 4 per cent, he pointed out, automatically raises the rate of interest that the farmer, who has to borrow to finance his year's crops, must pay for production credit. Brand asserted that raising the rate at this time of the year, when farmers do most of their borrowing, places them at an unfair disadvantage because other industries can afford to wait until lower rates are available. (A.P., Feb. 13.)

Cotton Seed and Cooperative Reports

Two more economic investigations conducted by the Federal Trade Commission are nearing completion, one dealing with price situations and competitive conditions in the cotton seed industry, the other into cooperative marketing, according to the press Feb. 13. The field work has been finished on both and they are up for final consideration by the commission. The cottonseed inquiry was made pursuant to a resolution of the House adopted March 2, 1927, directing the commission to investigate the action of those industries engaged in purchasing cottonseed for the purpose of crushing the seed, and those industries engaged in refining and otherwise processing and marketing cottonseed, and so ascertain if there be a combination agreement or association to fix prices of cottonseed or to violate any of the anti-trust laws. The inquiry into cooperative marketing has reached the point where the commission is considering the draft report of that part of the inquiry dealing with the growth and importance of cooperative marketing associations, the extent and importance of interference with and obstruction to the formation and operation of such associations, their financing problems and a study of cooperative failures and suspensions together with the underlying conditions. The report will also include a comparative study of prices and returns to producers as between the cooperative and other types of marketing.

Electricity for Farmers

A vision into the future when all State highways will be illuminated by electricity and when electricity will be more generally used on the farms is outlined in a recent statement by Owen D. Young, chairman of the board of directors of the General Electric Company and member of the Dawes Reparation Commission. In his discussion of the electrification of highways and farms, Mr. Young declared that while it was of course visionary, it was practical, and without a doubt would be the next big step in the application of electricity. "The matter has been discussed in all its phases by the officials of the General Electric Company," Mr. Young said. "The first problem to consider is the matter of lighting the public highways. Think of the great benefit that would result if our State highways were well lighted at all times. It would mean a great decrease in the number of accidents. It would make the highways safe for travel by any one at any time. The power companies are considering this matter very seriously at present....With the installation of the power lines the farms would soon be electrified. It would bring every advantage of the city to the farmer and would tend to keep a more intelligent class of people on the farms. We are now discussing the matter

of cooperation between the manufacturers of electrical equipment and the manufacturers of farm machinery so that the manufacture of standardized farm machinery suited to the use of standardized electrical motors and other equipment will be brought about....The electrification of the farms will mean the installation of electric refrigeration plants, either large ones, cooperatively owned by the farmers in one section, or smaller ones on the farms, so that the farmer can keep his fruit and produce and control his markets...." (N.Y.Times, Feb.12)

Farmers' Week in Michigan

An editorial in The Michigan Farmer for Feb. 11 says: "The Michigan State College should be congratulated on the excellent program presented at East Lansing on Farmers' Week. Certainly from the farmers' point of view it was a decided success. It was sane, practical, and timely....After last week our respect for Michigan agriculture is more deeply grounded. The impressions at Farmers' Week gives one confidence that our farming is being anchored on a more lasting foundation than the shifting sands. However, the continuation of wise building in agriculture needs the earnest effort of all. Farmers' Week helps wonderfully in keeping folks pulling together. It aids in giving us a common understanding of rural objectives and how best to reach them. The fellowship at East Lansing will make a real contribution toward this end."

Foreign Trade

An editorial in The Wall St. Journal for Feb. 13 says: "Foreign trade of this country in 1927 resulted in an export balance of $681,000,000. This is the balance resulting from selling more merchandise than we purchased. That trade, in the past six years, has built up a balance as large as the exports of 1922. This brings to the fore the magnitude of our foreign trade and the question of settlement of international balances....Trade of the past six years has resulted in a visible balance of $3,136,000,000. To some, this increasing export balance of visible trade appears as proof that the United States is getting the world in its debt and getting rich by selling the other countries poor; that to make matters right it should buy from the world as much as it sells. But goods are not the only things entering into international trade. Tourist expenditures, interest, freights, insurance and other matters enter into the exchanges, and must be considered before attempt is made to strike a final balance. Neither is it correct to say that the trade of the United States with any particular country should be approximately the same on both sides the ledger. Such a theory, if put in practice, would mean a limitation of world trade. Two countries of South America can be taken for illustration. In 1926 we sold to Argentina $143,500,000 and bought from her $80,169,000. If Argentina could not sell us more of her goods which we did not need then to make an even exchange it would be necessary to cut about $63,000,000 from our exports to that country. Our exports to Brazil were $95,500,000 and imports $222,000,000. To make an even exchange we would have to reduce purchases from Brazil by $126,000,000 and probably demoralize that country's exchange. But there is a better way. Argentina sells wheat and other products to her neighbor Brazil. Brazil sells her coffee here and takes a part of the money to pay for what she has purchased of Argentina. So it goes on throughout the world which is now one huge market. Direct settlements are of the past as they have been between banks since the advent of clearing houses. Debts are sold by the exchange of goods but the goods may be sold in many countries and the credit used to pay the debt."

Nebraska Wheat Pool

An editorial in The Nebraska Farmer for Feb. 11 says: "Agents are busy throughout Nebraska at this time. securing memberships in the new wheat pool. Under the contracts that members are asked to sign, it is agreed that the pool will become operative when 50 per cent of the acreage in the State has been secured. Meanwhile, the membership fee is $10. This is payable whether the required acreage is secured or not. The contract is very like that under which the Canadian pool with its 142,000 members was organized. That pool is an outstanding success as the records show and as its members generally agree. There is no reason why we can not do as well in this country."

Rubber Prices

An editorial in The (New York) Journal of Commerce for Feb.11 says: "The mere announcement of an official British investigation into the working of the Stevenson restriction scheme has sufficed to produce a small if temporary panic upon the local rubber exchange. Apparently it is taken for granted that the result of the inquiry will mean some radical changes and possibly abolition of the present system. In any case, there is no escaping the evil effects of the uncertainty that is bound to prevail until a decision concerning the fate of the plan has been reached. This uncertainty is inseparable from all attempts at artificial price control whatever the commodity happens to be. It is merely another item in the long list of indictments of restriction schemes of this sort. American industry can at least be assured that, whatever happens to the Stevenson plan, it is without power to hold them in the grip of monopoly. Recent results have, in fact, been so disappointing that the dissatisfaction of the supposed beneficiaries is doubtless the chief explanation of the interest which the Government is now manifesting in the future of the plan. Predictions of critics have been realized. Over-high prices have encouraged outside producers to increase their output. They have been an incentive to smuggling exports out of the restricted areas and, finally, they have given a great impulse to the use of reclaimed rubber in this country. These are influences continuously operative to neutralize the effect of British restriction...."

"United Horticulture"

"On November 28, 1927, the Pennsylvania Horticultural Society--the oldest organization of its kind in the country--celebrated its one hundredth anniversary. Notable as the event was in itself, it was made even more significant by being the occasion of the first public announcement of a new project for horticultural advancement almost unlimited in scope and possibilities. The broad objectives of the plan now under consideration as 'United Horticulture' are given as 'A more adequate representation of horticulture in national affairs; a more general appreciation of the value of plants to humanity; a more beautiful and more fruitful America.'..." (Florists Exchange, Feb. 4.)

An editorial in the same issue says: "The project now under consideration for the creation of a 'United Horticulture' or centralized congress, clearing house or federation of all existing horticultural interests in America is, as yet, in a formative or tentative state. But the first 'official' statement of its basic purposes and explanation of its origin clearly conveys an idea of its exceedingly vast scope and range of possibilities as well as the difficulties involved. Of the advantages of a well organized machine that could bring all the hundreds of scattered horticultural groups into constructive and mutually helpful touch (even if not into accord on all matters), and

that could enable horticulture as a national force and a vital factor in the welfare of mankind to make itself heard and felt and appreciated as it should be, it is certainly unnecessary to speak...."

Wool Institute Woolen mills having an annual output valued at more than $400,000,000, and whose looms number approximately 50,000, or about 75 per cent of the total industry, will be represented at the first meeting of the Wool Institute, Inc., to be held next Wednesday at New York. The industry, according to A.D.Whiteside, is fully awake to the potentialities of the institute and is backing it as it has backed no other cooperative effort in recent years. The institute's budget for the first year, it is understood, will be $125,000.

Section 3
MARKET QUOTATIONS

Farm Products Feb. 13: Steers, good and choice, $13.50 to $17.50 at Chicago; cows, common and choice, $8.60 to $11.50; heifers, good and choice, $11.75 to $13; vealers, good and choice, $14 to $17; heavy weight hogs, good and choice, $7.85 to $8.20; lights, medium to choice, $7.25 to $8.35; lambs, good and choice, $15.15 to $16.25.

No grain or cotton and dairy/on account of Lincoln's Birthday Holiday.

Maine sacked Green Mountain potatoes closed at $2.35-$2.50 per 100 pounds in eastern cities; bulk, $1.75-$1.85 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.60-$1.75 carlot sales in Chicago.

New York and midwestern yellow onions ranged $2.40-$3 sacked per 100 pounds in consuming centers; $2.40 f.o.b. Rochester.

Florida Pointed Type cabbage $1.25-$1.75 per 1½ bushel hamper in the East. New York Danish type $12-$15 bulk per ton in a few cities; $7-$7.50 f.o.b. Rochester.

New York Baldwin apples $7-$7.50 per barrel in Pittsburgh; $7.50-$8.50 in Chicago. Eastern Yorks $7-$7.50 in a few cities. Michigan Jonathans $9-$11 in Chicago. (Prepared by Bu. of Agr. Econ.)

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Vol. XXVIII, No. 38 Section 1 February 15, 1928.

HULL'S FARM AID RESOLUTION Representative Cordell Hull of Tennessee proposed in a resolution yesterday that the House go on record as favoring enactment of a number of legislative proposals, including a downward revision of the tariff, to "secure justice to agriculture," according to the press to-day. The resolution referred to the House ways and means committee, of which Hull is a member, recommended a readjustment of international trade agreements, financial and other aid and encouragement of efficiency in agriculture, further expansion of cooperative marketing, and continued exemption from antitrust laws of farm cooperative associations. It also proposed additional credit, if needed; reduction and readjustment of railroad rates, especially as to farm products; abolition by the States of State taxes on farm lands, with the possible retention of a small rate for schools, leaving the same to counties and villages, and the systematic suppression of monopolies in the distribution of farm products.

HALF HOLIDAY BILL With the exception of employees in the postal service, all employees of the Federal Government would be given a half holiday on Saturdays throughout the year, under the terms of a bill introduced in the House yesterday by Representative Hudspeth of Texas. This is the third bill to be introduced at this session dealing with year-around half holidays for Federal employees. (Press, Feb. 15.)

FRENCH TARIFFS A Paris dispatch to the press to-day reports: "Copies of Premier Poincare's new tariff bill, which has kept both officials of the Washington Government and American business men in a state of anxious speculation for the last month, finally was received at the American Embassy late yesterday. A two-hour study of the 100-page document caused a feeling of great relief when it was disclosed that, on the whole, American products do not fare very badly. Indeed there were pleasing surprises in the fact that the tariff on such things as sugar, seeds, and American manufactured tractors, had been reduced. Out of a total of 1,200 items, most of which have been increased three and four times over the existing tariffs, not more than thirty affect American importers. True, some of these have been revised upward to such an extent as to make future sales in the French market questionable, but on the whole there is no basis for real complaint....Those items upon which Americans have been highly taxed include prunes, canned fruits, lard and sporting goods. The increases on these are very high and may act as a bar to further operation in the French market. ..."

SECRETARY HOOVER AND FLOOD CONTROL The Senate commerce committee yesterday voted to call Herbert Hoover, Secretary of Commerce, before it to give his views on Mississippi flood control, according to the press today.

Section 2

Cheney On Distribution

O.H.Cheney, vice president, American Exchange Irving Trust Company, New York, in an address yesterday at a meeting held under the auspices of the Chamber of Commerce of the United States, said: "The question is not whether the wholesaler adds to the cost of distribution--of course he does--because distribution must cost something. The real question is: Does the wholesaler add too much to the cost of distribution? The real problem is not whether the wholesaler is necessary or unnecessary, but what functions in distribution are necessary. When that is decided, we can begin to determine who is to perform those functions--and how. It costs money even for a magician to pull rabbits out of a hat and distribution will always add some cost factor to the price of commodities under any system of merchandising. A farmer who pulls an apple off one of his trees and eats it has no cost of distribution for that particular apple--but even if he takes a basket full and puts it on a roadside stand, he creates an economic factor of distribution cost. And in such more complex lines as drugs, drygoods, hardware and manufactured foods, there are essential steps in distribution which can not be eliminated. Only in fairy tales can you rub a magic lamp or snap a wishbone and get what you want set down in front of you. Too much of the criticism of the wholesaler is fairy-tale economics. When the factory has finished its job, there is a quantity of goods at a certain place. Before these goods can be of any use, they must be in the hands of consumers in small quantities and in thousands or hundreds of thousands of places. That is the fundamental fact of distribution which no amount of legislative oratory, trade association resolutions or statistical magic can wipe out. The plan of shipments of small units of goods to a great number of consuming points is uneconomical--the preparation for shipment, the selling and the shipping cost so much on a small unit that the cost of distribution is too high for the value of the goods. That is the fundamental fallacy of 'direct-from-factory-to you' in a large proportion of cases....Let me summarize my views: First: No method of distribution, wholesaling for instance, is doomed as long as it performs its functions economically. Second: It is possible for wholesalers to perform essential functions economically. Third: These functions can not be eliminated entirely under any of the new and highly advertised systems of distribution and therefore these systems, if they are really understood, will not prove to be better than a system including the wholesaler. Fourth: An efficient wholesaler, using sound methods and giving legitimate service, has a surer place in our economic system, than any inefficient distributor of another kind, no matter what short-cut system he may use."

Cotton Trading

Legislation permitting the seizure of some 200,000 bales of cotton, alleged by Representative Rankin of Mississippi to have been transported to New York for the purpose of enabling cotton traders and others to manipulate the market, was urged in the House Feb. 13 by Representative Rankin. He spoke in favor of an amendment to the Sherman anti-trust law sponsored by him "to assist the Department of Justice in investigating and prosecuting" certain firms whom he denounced as the manipulators of cotton prices "responsible for the deplorable condition of the cotton industry." He referred also to a resolution passed by the New York Cotton Exchange welcoming an investigation, and giving assurances of help "in bringing about a cleaning up of this unfortunate condition that is to-day demoralizing the

cotton industry." He added that he contemplated demanding an investigation of this character, and he was joined by other cotton States representatives in the plea for immediate action on the proposed amendment to the Sherman Act. (Press, Feb. 14.)

Country-Bred Leaders An Ithaca, N.Y., dispatch Feb. 14 says: "American cities in the future will depend largely on the farms for new blood, said Albert R. Mann, dean of the New York State College of Agriculture at Cornell University, in an address opening the annual Farm and Home Week at the State College Feb. 13. After a review of the economic condition of the farmer, and a discussion of various proposals for farm relief, Dean Mann discussed the social aspects of rural progress, stressing the influence of the quality of life on the farms on the quality of our urban population. He said, in part: 'The American people have enacted restrictive immigration laws which state, in effect, that for the new blood and new initiative in our cities we shall depend less on foreign immigration and relatively far more on the inflow from the farms of this country....It is assumed that the city is drawing off gradually all the best elements of the country. What, in fact, has been happening is that surplus children of these selected thrifty and competent farm parents are invigorating city populations and using the initiative, resourcefulness and capacity for productive work learned on the farm to enable them to climb to the top in the life of the towns....Ways must be devised to enable country and city populations, farming and trade and industrial interests, to live together in mutually helpful relations. There must be resistance to the tendency to divide our national house into conflicting groups, rural and urban. Neither can finally be disassociated from the other.'"

Dairy Meeting The Rural New-Yorker for Feb. 11 says: "The Milk Producers' Advisory Board, at a meeting in New York City on January 26, issued a call for a general meeting of all interested dairymen to be held in Utica on February 22. The purpose stated is to discuss plans for more complete cooperation among dairymen of the New York milk shed, and the question of adequate indemnities for condemned cattle....The members of the Northern Committee said at the beginning that they wanted to unify the dairy industry without disturbing or destroying any of the existing organizations....There is no way to unify the industry without destroying one or more of the existing organizations, except by some sort of an affiliation of the three associations. This is self-evident. Two of the groups are ready to consider any suggestion for an affiliation that will not interfere with their local and internal affairs, but uniting on those matters which concern all alike. The Utica meeting will afford an opportunity to get together on this basis. We sincerely hope for the good of the industry that the leaders of the Northern Committee will attend the Utica meeting February 22 and plainly state to the people of the State the plain and exact terms on which they will unite with other dairymen without destroying the other existing dairy associations in the State. A united industry is important for all, and would serve all, but it is most important to pool patrons, and would increase milk returns more than that of any other producers in the New York milk shed."

Edison and Rubber

An Orange, N.J., dispatch Feb. 14 states that a series of expeditions into the unexplored areas of the Florida Everglades in quest of possible rubber producing plants are being planned by Thomas A. Edison, according to an announcement at Orange, N.J., Feb. 13, by William H. Meadowcroft, Mr. Edison's secretary and personal representative. Preliminary surveys have been carried on for the past year, Mr. Meadowcroft said. The purpose of the expeditions will be to determine if there are any domestic sources for the production of rubber.

Great Falls Toll Bridge

Construction of a $1,000,000 toll bridge across the Potomac River at Great Falls seemed assured following a hearing at the Capitol Feb. 11 on a bill introduced by Representative R. Walton Moore, of Virginia. The Moore bill would have Congress grant its consent to the Great Falls Bridge Co. Representative Edward E. Denison, of Illinois, chairman of the bridge sub-committee, announced following the hearing that the bill would be reported to the House within ten days. So far as the sponsors of the bill were concerned, they had no doubt that the report would be a favorable one. In the course of the hearing it was predicted by two of the speakers that the proposed development of the water power of Great Falls would not take place in this generation. (Press, Feb. 12.)

Living Costs

Living costs, according to the National Industrial Conference Board's cost of living index, gotten out monthly, have fluctuated little during the last three years but on the average were slightly lower during 1926 and 1927 than in 1925. While the whole commodity price index since last April has shown a gain of about 3 per cent, the first definite upward turn in two years, living costs since April, 1927, have fluctuated much less and without noticeable trend, closing the year at practically the same average level as prevailed in April, 1927, and about 3 per cent lower than they were at the close of 1926. Business trends as reflected in wholesale commodity and retail price movements, volume of employment and wage earnings at the present moment present a confused picture and do not indicate what may be expected in the immediate future in way of business recovery, according to the Conference Board.

New York Cotton Exchange

The Board of Managers of the New York Cotton Exchange went on record Feb. 11 as welcoming any official investigation into the operations of the exchange, such as was suggested in Congress last week when allegations were made that the exchange's facilities had been used to manipulate prices to the detriment of the cotton trade. (Press, Feb. 12.)

Section 3

Department of Agriculture

1 An editorial in The Ohio Stockman and Farmer for Feb. 11 says: "The officials of the Bureau of Agricultural Economics at Washington have given us a complete but exceedingly cautious job of outlooking this time....Some interesting facts are stated, and they are the most valuable part of the outlook, suggesting the proper policy of stating facts and leaving the rest to the public. Those who are interested in what the outlookers seem to think is probable or possible, if something else does or doesn't happen, should write to the Bureau of Agricultural Economics of the Department of Agriculture and get the whole thing, which is too voluminous for publication here."

Department of Agriculture 2

An editorial in Wallaces' Farmer for Feb. 3 says: "The United States Department of Agriculture is sending out questionnaire blanks to the different cooperative shipping associations. We hope the managers of all the associations will fill out these blanks. When this information is compiled, it will be very valuable in determining future policies. The questions concerning trucking and direct consignment to packers are especially interesting, and if a large number of associations answer these questions it will be possible to discover more nearly just how the times have changed...."

Section 4
MARKET QUOTATIONS

Farm Products

Feb. 14. Livestock quotations at Chicago: Slaughter steers, $13.50-$17.50. Cows, $8.60-$11.50. Heifers, $10.50-$13.50. Vealers, good and choice, $15-$17.50. Feeder and stocker steers, $10.75-$12.50. Heavy weight hogs, $7.85-$8.25. Light lights, $7.35-$8.45. Slaughter pigs, $6.75-$7.65. Slaughter lambs, $15-$16.50. Feeding lambs, $13.85-$15.40.

Maine sacked Green Mountain potatoes $2.40-$2.55 per 100 pounds in city markets; $2.05-$2.15 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.60-$1.75 carlot sales in Chicago; $1.35-$1.45 f.o.b. Waupaca. Florida Pointed type cabbage $1-$1.75 per 1½ bushel hamper in the East. New York Danish Type $14-$15 bulk per ton in Baltimore; top of $20 in Cincinnati; $7-$7.50 f.o.b. Rochester. New York and Midwestern yellow onions $2.25-$3 sacked per 100 pounds in consuming centers. New York Baldwin apples $7-$7.50 per barrel in New York City; mostly $7-$7.25 f.o.b. Rochester. Michigan Jonathans $9-$11 in Chicago.

Closing butter price at New York on 92 score: 45¢.

Closing prices of No.1 fresh American cheese at New York were: Flats, 29-29½¢; Single Daisies 29¢; Young Americas 29-29½¢.

Average price of Middling spot cotton in 10 designated markets advanced 29 points to 17.91¢ per lb. On the same day in 1927 the price stood at 13.53¢. March future contracts on the New York Cotton Exchange advanced 27 points to 18.27¢ and on the New Orleans Cotton Exchange they advanced 30 points to 18.09¢. March futures on the Chicago Board of Trade advanced 13 points to 17.98¢.

Grain prices quoted: No.1 dark northern spring wheat at Minneapolis, $1.53-$1.59. No.2 red winter at Chicago $1.50½; Kansas City $1.44-$1.48. No. 2 hard winter at Chicago $1.34½; Kansas City $1.25-$1.27. No.3 mixed corn, Chicago 93¾¢; Minneapolis 86-88¢; Kansas City 84½-87½¢. No.3 yellow corn, Chicago 94½¢-97½¢; Minneapolis 89¢-91¢; Kansas City 86½¢-89¢. No.3 white oats, Chicago 54¾-57½¢; Minneapolis 52-54½¢; Kansas City 54¢-56¢. (Prepared by Bu. of Agr. Econ.)

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Vol. XXVIII, No. 39 Section 1 February 16, 1928

INVESTIGATION ORDERED

The Senate yesterday ordered an inquiry into the operations of cotton exchanges, millers and the Department of Agriculture to ascertain whether there have been efforts to manipulate the price of cotton, according to the press to-day.

MCNARY-HAUGEN BILL

The press to-day reports: "The farm relief issue was catapulted into the Senate yesterday when its agriculture committee ordered a favorable report of the revised McNary-Haugen bill after only two hours consideration. Still carrying the equalization fee provision opposed by President Coolidge in vetoing the McNary-Haugen measure last year, the new bill does meet many of the objections of the President, in the opinion of Senator McNary, its co-author. It was shot into the Senate while the House agriculture committee was wrangling along on its fifth week of hearings over an almost identical measure sponsored by Representative Haugen, but there was no indication from Chairman McNary of the agriculture committee or from Senate leaders as to how early it would be pressed to a vote."

POWER INQUIRY

The press to-day reports: "By a vote of 46 to 31, and over the desperate protest of Senator Walsh of Montana, the Senate last night referred the proposed 'power trust' investigation to the Federal Trade Commission instead of authorizing an inquiry by a special committee of five Senators as proposed by Mr. Walsh...."

LINDBERGH ON AVIATION

Col. Charles A. Lindbergh declared at St.Louis yesterday, at a testimonial luncheon given by the Chamber of Commerce, that rapid progress in aviation had been made in this country in even the two short months that he had been on his tour of Central and South American nations. "At present every obstacle except sleet and fog has been overcome," he said. "I believe further developments of radio beacons, radio communication, Neon lights and other branches will overcome these two obstacles also, so that airplanes will fly on schedule under any condition. It is probable, and I believe it true, that aero transportation will take its place among the greatest forms of transportation in the world....Europe to-day is ahead of the United States in passenger transportation, but we are rapidly growing and now leading many other activities of aviation...."

PHILADELPHIA BANK RAISES RATE

The Federal Reserve Board announced yesterday that the Federal Reserve Bank of Philadelphia has established a rediscount rate of 4 per cent on all classes of paper of all maturities, effective to-day. Of the twelve Federal Reserve Banks this leaves but Cleveland and St.Louis still to follow the move initiated by the Chicago bank some weeks ago. (Press, Feb. 16.)

Section 2

Agriculture and Ships — Captain Herbert Hartley, former commander of the Leviathan, told a radio audience from New York, Feb. 14, that when agriculture realized the importance of ships the Nation would obtain an adequate merchant marine. (Press, Feb. 15.)

British Cotton Industry — A London dispatch Feb. 15 says: "Crisis in the British cotton industry, or at least that section which spins American yarns, will probably be precipitated by a decision of the general purposes committee of the Cotton Spinners' Federation to give a month's notice to terminate the wages and houses agreement. It is understood the intention is to reduce wages 12½ per cent and increase the working time from forty-eight to fifty-two hours...."

Butter Quality — An editorial in The Dairy Record for Feb. 8 says: "The flat price basis for payment of cream and eggs is condemned by Roy C.Potts of the Federal Bureau of Agricultural Economics as resting upon an unsound economical basis for both producer and buyer, because it offers no encouragement to produce quality products. We agree with Mr. Potts that the practice of paying a flat price for cream is a decided drawback to a quality improvement program, for no one can blame the farmer for producing poor raw material, when he can get almost as much for it as he can for good cream. The underlying cause of the trouble, to no small extent, is that the spread between grades of butter is too narrow, on the average, to make it possible to pay a differential for cream which will force the farmer to produce good raw material. That narrow spread is, in turn, largely due to the inability of the great mass of consumers to judge butter with any degree of accuracy. As we see it, the only effective educational campaign which can be carried on among consumers is to provide a large quantity of fine goods, so that, at some time during the year, at least the average consumer will have an opportunity of eating fine butter, and will learn to distinguish to some degree between a good and a poor product....To our way of thinking, the only remedy lies in making fine butter as distinctive as possible. The industry must, in other words, make its choice goods so outstanding that every time a consumer eats 93-scoring butter, he will appreciate the difference the minute he goes back to 91 butter."

Cotton Market Manipulation Charge — A Houston, Tex., dispatch Feb. 15 says: "When W.L.Clayton, of Anderson, Clayton & Co., was shown the Washington dispatch containing charges by Congressman Rankin that firms with which he is connected transported 200,000 bales of cotton to New York for the purpose of enabling cotton traders and others to manipulate the market, he made the following statement: 'My firm has violated no law....No act of ours has had the intent or the effect of depressing the cotton market. We are cotton merchants, not speculators. We never speculate in the cotton market and therefore can have no financial interest in the ups or downs of the market. I have never made the boast which Representative Rankin attributes to me. Six or seven months ago a member of the New York Cotton Exchange residing in New York filed charges against us with the Attorney General of the United States alleging violation of the Sherman anti-trust law. We immediately made voluntary reply to these charges disclosing our operations in detail to the Attorney General. We have heard nothing further about the matter except an item which appeared in the newspaper several days ago to the effect that the Attorney General had been thoroughly

investigating the matter for some time and while his work was not yet finished he had not so far found any evidence of violation of the law. ..."

Dairy Progress An editorial in The Farmer's Guide for Feb. 4 says: "At the recent agricultural conference at Purdue University, E. M. Harmon, editor of The Dairy Farmer, pointed out that the dairy industry is in a relatively strong position, but he also called attention to some of the problems that are facing it to-day. Mr. Harmon stated that milk production in the United States has increased from 89,000,000,000 pounds in 1920 to 120,000,000,000 pounds in 1926, with an actual decrease of 7 per cent in the number of cows kept. This remarkable phenomenon shows what can be accomplished by farmers in the way of increased production in response to a high price....According to Mr. Harmon there are still some 7,000,000 cows in the country that do not pay for their keep, and weeding them out and breeding better cows to take their places is one of the biggest problems in the industry. 'The big point that every individual dairyman must realize,' said Mr. Harmon, 'is that dairying is a business and is entering into the most highly competitive era in its history. To succeed it must be dealt with and handled as such on each individual farm.' The speaker went on to tell of an analysis of more than 1,000 cow-testing association records that he made some years ago when prices were lower than they are now. One group of the cows produced an average of 100 pounds of butterfat in a year, at a feed cost of 51 cents a pound. Another group produced an average of 400 pounds of butterfat, and the feed cost was only 17 cents a pound. Of two farmers, one keeping 100-pound cows, and the other keeping 400-pound cows, it is an easy matter to see which one will lose out in the struggle for existence. The greatest advances that will be made by farmers during the next 20 years will doubtless be in the direction of lowered costs of production. The use of the milk scales and the Babcock test have shown the way in the dairy industry. The same principles can be applied to every production enterprise on the farm."

Electricity on Farms An editorial in The Wisconsin Agriculturist for Feb. 11 says: "The use of electricity on the farm for light and power purposes is much desired by farmers wherever it can be obtained at a cost they can afford to pay. Public utility companies are just as anxious to furnish such service as farmers are to have it whenever they can do so at a price that will yield them a reasonable profit. In this connection, the University of Wisconsin, in conjunction with public utilities of the State, is putting on a school at the College of Agriculture, February 14, 15 and 16, for the purpose of better educating rural electric servicemen....We understand it is the intention of the College of Agriculture to send out trucks with servicemen in charge, who will visit farmers in different communities, instructing them in the use of electricity, rendering such service as farmers may need. It is educational and will tend to extend this kind of service in rural communities."

Fact-Finding Commissions

Dr. Daniel Starch, director of research, American Association of Advertising Agencies, in an address before the Ninth Mid-Winter Conference, Trust Company Division, American Bankers Association, New York, Feb. 14, said: "Thirty-five years ago Professor Babcock at the University of Wisconsin invented what has since become known all over the world as the Babcock milk tester--a device for determining the amount of butterfat in milk. This instrument has done more than anything else to put dairying on a profitable businesslike basis. It is said that its value to the dairy industry of Wisconsin alone each year is greater than the entire cost of maintaining the University of that State. It is a device which enables the dairy farmer to know facts about his business he did not know before....If I were to say what is the most significant development in the field of marketing during the past ten or fifteen years, I would not say new methods of selling nor more aggressive selling. We have always had salesmen and we have always had some form of advertising. But industry is developing more intelligent, more accurately controlled selling. And what is at the bottom of that--just one thing--facts. So in answer to my question, what is the most significant development in the field of marketing in recent years, I would say fact finding. During the past two decades, there have arisen probably more fact-finding agencies concerning business than in all preceding time. Not only are the trade and industrial associations accumulating facts and statistics concerning groups of industries, but especially are individual firms gathering facts concerning their specific products or businesses. A Government bulletin lists 99 trade and manufacturing associations ranging all the way from the 'agricultural producers association' to the 'writing paper manufacturers association,' each of which compiles information regarding its particular industry. The same bulletin gives a list of 160 separate concerns which compile information regarding their respective individual businesses. And finally it lists 237 institutions, foundations and commercial organizations engaged in securing marketing information. This is a total of 500 organizations besides the various Federal and State departments engaged in fact finding concerning markets and marketing methods....."

Ludwig on National Wealth

Emil Ludwig is the author of an article entitled "Wealth Tests a Nation's Soul," in The New York Times Magazine for Jan. 29. In this he reviews the rise and fall of older nations resulting from their misuse of wealth. Contrasting America with these nations, he says: "Passing judgment upon America is not within my scope. I do not know America. But seen from afar, it does not for the time being seem to be exposed to such dangers, and this for three reasons: First, while it is, of course, immensely wealthy, it has not become rich in such an incongruous way as Rome or Venice. The rich here seem to strive to bridge over the gap and have supplied the workman with a better standard of living. Second, because by their intellectual development, by the work of their great engineers and inventors, by their men of scientific research work among the learned of all professions, they strongly counteract the dangers of luxury. Third, this wealth and its luxury are neither supported by colonies nor are they dependent upon victorious wars. As this country produces everything it requires for its livelihood and its wealth, the money remains in the country and can not be jeopardized by adventures of vainglorious leaders outside of its own boundaries."

New York Cotton Exchange Contracts — Members of the New York Cotton Exchange will meet on Feb. 21 to consider an amendment to the by-laws relating to contracts for delivery in January, 1928, and all subsequent months, approved by the managers at their last meeting. (Press, Feb. 15.)

Section 3
MARKET QUOTATIONS

Farm Products — Feb. 15. Livestock quotations at Chicago: Slaughter steers, $13.25-$17; cows, good and choice, $8.50-$11.50; heifers, $11.75-$13.50; vealers, $15.50-$17.75; feeder and stocker steers, $10.75-$12.50; heavy weight hogs, $7.85-$8.25; light lights, $7.35-$8.50; slaughter pigs, $6.75-$7.65; slaughter lambs, $14.75-$16; feeding lambs $13.85-$15.40.

Maine sacked Green Mountain potatoes $2.40-$2.55 per 100 pounds in eastern cities; $2-$2.05 f.o.b. Presque Isle. New York and Pennsylvania sacked Round Whites $2.10-$2.35 in the East. Wisconsin sacked Round Whites $1.65-$1.80 carlot sales in Chicago; $1.40-$1.50 f.o.b. Waupaca. Eastern York apples $6.50-$7.75 per barrel in a few cities. New York Baldwins $7.50 in New York City; mostly $7 f.o.b. Rochester. Michigan Jonathans $9-$11 per barrel in Chicago. Florida Pointed type cabbage $1-$1.75 per 1½ bushel hamper in terminal markets. New York Danish type $13-$20 bulk per ton in city markets; mostly $7-$7.50 f.o.b. Rochester. New York and Midwestern sacked yellow onions $2-$3 per 100 pounds in consuming centers; $2.35-$2.40 f.o.b. Rochester.

The average price of Middling spot cotton in 10 designated markets declined 27 points to 17.65¢ per lb. March future contracts on the New York Cotton Exchange declined 34 points to 17.93¢ and on the New Orleans Cotton Exchange they declined 29 points to 17.80¢. March future contracts on the Chicago Board of Trade declined 5 points to 17.93¢.

Grain prices quoted: No.2 red winter wheat at Chicago $1.50; Kansas City $1.44-$1.48. No. 2 hard winter, Chicago $1.32½; Kansas City $1.25-$1.27. No.3 mixed corn at Chicago 94¢; Minneapolis 87-89¢; Kansas City 84½-87½¢. No.3 yellow corn Chicago 95½-96¢; Minneapolis 90-92¢; Kansas City 87-89¢. No.3 white oats Chicago 54½-55¾¢; Minneapolis 52½-54½¢; Kansas City 54-56¢.

Closing price of butter at New York of 92 score: 45¢.

Closing prices of No.1 fresh American cheese at New York were: Flats, 29-29½¢; Single Daisies 29¢; Young Americas 29-29½¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXVIII, No. 40 Section 1 February 17,1928.

HOUSE FLOOD BILL A new national policy for the control of floods in the Mississippi Valley was mapped out in a bill submitted yesterday to the House by its flood-control committee, according to the press to-day. Three of its leading features are: 1--A contemplated expenditure of $473,000,000, as against the $290,400,000 recommended in the report of Army Engineers and approved by President Coolidge. 2--The Federal Government to bear the entire cost, whereas the Army Engineers' plan called for twenty per cent of the cost to be borne by the Mississippi States. 3--The setting up of a Mississippi Valley Flood Control Commission of seven members, to be named by the President, to have full charge of Mississippi flood control projects. The members are to include civilian engineers and scientists, whereas the administration plan was to entrust the work to Army Engineers, with the Mississippi River Commission as an advisory body.

ARGENTINA ENVOY LEAVES PARLEY A Havana dispatch to-day states that Dr. Honorio Pueyrredon disclosed at Havana last night that he has resigned as Argentine Ambassador to Washington and leader of his country's delegation to the sixth Pan American Conference rather than abandon his stand for inclusion of a declaration in favor of removal of tariff barriers in the projected Pan American Union convention.

DUST EXPLOSION PREVENTION To prevent dust explosions in grain elevators, a safety code has been adopted by the American Engineering Standards Committee, it was announced yesterday. Eighteen Government bodies and national agencies cooperated in the preparation of the code. "In the past," the announcement said, "dust explosions have caused the loss of hundreds of lives and millions of dollars of property in the United States. There are 28,000 plants, employing 1,300,000 persons and with an annual production of $10,000,000,000, which are subject to the hazard of dust explosions. The new code includes provisions for exhaust systems which will remove suspended dust, for the prevention of sparks or flames which may cause ignition and for the use of fire-resisting building materials." (N.Y.Times, Feb. 17.)

TRUTH IN FABRIC LABEL A Utica, N.Y., dispatch to-day reports: "As a basis of establishing a true sense of underwear fabric values in the consumer's mind, and to eliminate the danger of fraud in the manufacture and distribution of garments labeled 'part wool,' the Associated Knit Underwear Manufacturers of America, in their annual meeting yesterday, voted unanimously on two important resolutions--first, that no garment shall bear the label 'part wool' which does not contain wool in the body fabric, and, second, that the Federal Trade Commission shall be asked to hold a trade practice submittal on the use of the part-wool label."

Section 22

Cheese Industry An editorial in Hoard's Dairyman for Feb. 10 says: "Our cheese industry is not upon a sound or economical basis when most cheese is manufactured in small factories inadequately equipped and operated. The time has come for larger units if the farmer desires to receive more for his cheese and to remain in control of a considerable percentage of all factories manufacturing his milk into cheese. It is a matter that needs his most serious attention or else cheese will be manufactured entirely by private enterprises, and we do not look upon this as being a wholesome situation for the cheese industry. We have never contended it was essential for farmers to own all their factories for processing and distributing their products, but we do believe it is essential for stabilizing the dairy industry that a considerable portion of the factories be owned by the farmers. Too many factories are now owned by the cheesemaker, and the farmer has little or nothing to say about their operation. We have outlived this system of handling milk for the manufacture of cheese, and the time has come for a radical change. The advent of improved roads and motor trucks has made it possible to operate larger cheese factories economically, and through them more uniform cheese can be made, better equipment used, and more advanced methods practiced in the operation of a cheese factory...."

Cooperative Marketing An editorial in The Farmer's Guide for Feb. 4 says: "G.W. Slocum, in delivering the president's address at the annual meeting of the Dairymen's League, Incorporated, the cooperative that handles milk for some 39,000 members in the New York 'milk shed,' called attention to some facts which go far in explaining the outstanding success that the organization has attained. First, he pointed out that the amount of Class 1 milk produced by the members had risen from 38 per cent of the total in 1922, to 61 per cent in 1927; and second, he stated that the league farmers 'have equipped their business so as to render a service to the distributer and the consumer never dreamed of before in the milk business.' They produce a quality product, they merchandize it better than the job has ever been done before and the result has been success. There is food for thought here for every farmer who is interested in cooperative marketing. Gradually the truth is dawning and is dissipating the clouds of misunderstanding that were raised by the early rabid partisans of cooperation, whose zeal exceeded their judgment and whose ignorance of marketing methods was fathomless....The experience of the league, in comparison with the experience of some less successful cooperatives, emphasizes over and over again the incontestable fact that the best thing cooperative organizations can do is to stay out of any field unless there is ample evidence that they can do the job of marketing better than it is being done by existing agencies. For unless the cooperatives can do the job better, they are foredoomed to failure."

Cost of Production An editorial in The Nor'-West Farmer (Winnipeg) for Feb. 6 says: "Western livestock men have shown considerable enthusiasm at the annual meetings of the different associations. 'The best annual we have ever had,' is the judgment most delegates have passed upon the proceedings....Cost of production of the farm and in the feedlots should be talked before every representative gathering of farmers. An address on the subject by Dean Howes of the University of Alberta at the annual convention of the Saskatchewan Livestock Associations is

certainly a step in the right direction. His reference to the harmful and uneconomical practice of selling inferior stock for breeding purposes is timely. Such a practice not only loses money for the breeders but results in dissatisfaction on the part of the purchaser and is the proverbial 'ball and chain' on the industry as a whole. Nothing but the best should be offered at the forthcoming bull sales...This question of cost of production is one that strikes the livestock man, and farmers in general for that matter, in a sensitive spot--the pocket book. In fact, to neglect it means inevitable ruin, while attention will return dividends in proportion to the thought expended....There is no doubt that the man who can deliver a really practical message, either written or spoken, respecting cost of production on the farm, is performing a definite service to farming and stock raising."

Dairy Industry An editorial in The Pacific Dairy Review for February says: "In 1920, about 20 cents of the consumer's food dollar was spent for dairy products. By 1926, as nearly as the United States Department of Agriculture could ascertain, the use of dairy products had increased to such an extent that 25 cents, or about one-fourth of every food dollar, found its way into dairy channels. But the dairy industry should not content itself with this increase. Not should it pat itself on the back too much for what has been done. Much of the increase was brought about by agencies entirely outside of the industry. One example is the research work of biological chemists, whose interest in the dairy cow and the welfare of the industry is entirely academic and whose work has been supported meagerly, when at all, by the industry. That, however, is beside the present question. The point is that these men of science generally agree that the saturation point of dairy products in the human diet still is far away. Instead of 25 cents of the food dollar, at least 30 cents should be the minimum. By such a division, human nutrition would be better served and household economy furthered, for, in food value, one dollar spent for dairy products will buy more than from any other source. The job of the dairy industry is to give practical interpretation to the findings of these scientific men, and disseminate this knowledge as widely as possible to the consumers. There is great need for collective extension of this work, for consumption of dairy products in the United States is not so far ahead of domestic production as some may think... The dairy industry, if it intends to keep within its grasp the measure of prosperity which it now is experiencing, should consider, along with its problems of production, manufacture and distribution, a program of education sufficiently large to keep hold of the diet habits of the Nation."

Electricity On The Farm "It is significant with reference to the future development of rural electric service that 100 electric light and power companies report one or more men giving attention to this subject. Of this number, 53 companies report the organization of rural electric service departments or divisions." (Electricity on the Farm, C.R.E.A. Bulletin, Vol. IV. No.1.)

Excess Rail Profits' Tax Every railroad in the United States which operated at a profit in 1927 was notified by the Interstate Commerce Commission Feb.15 to report such earnings and to pay over to the Government, in accordance with the law, one-half of the profits in excess of 6 per cent of

their valuations. A similar order has been issued in previous years, but few railroads have paid any money to the Government under its provisions, preferring to wait for the termination of litigation over the method of valuation. The recapture of excess earnings by the Government was a policy adopted by Congress in 1920, but the difference between the commission and railroad valuations of their own property has occasioned seven years of delay in the collection of excess income. (A.P., Feb. 16.)

Great Falls Park — Favorable action on the Capper bill to preserve Great Falls and the Potomac Gorge for park purposes was urged Feb. 15 at a hearing before the Senate District committee.

Rural Routes — An editorial in The Ohio Farmer for Jan. 28 says: "A bill has been introduced into Congress by a Tennessee Senator to appropriate $100,000,000 to build post roads for rural mail carriers, this sum to be allotted to the States on the basis of miles of rural routes and to be matched by an equal amount by the States. This bill if passed would meet a critical situation. The Federal postal department has directed its rural carriers to use automobiles the year around wherever possible, thus abandoning many miles of rural routes in the unfavorable seasons of the year. There has been considerable complaint from farm folks about the failure of the carriers to resort to the older methods of transportation in the winter and spring when the roads are impassable for machines. The carrier can not be blamed as he is carrying out the dictates of his superior officers, and if he were willing there are many places in the State where horses capable of covering the average rural route are not available at any cost. The Federal Government carries the mail across the wind driven wastes of the Artic and there should be no question about it assisting in getting the mail to its agricultural citizens in the more civilized and thickly settled regions of Ohio and other States so situated."

Sheep Outlook — An editorial in Western Breeders Journal for Feb. 1 says: "Since the great slump hit agriculture several years ago, sheepmen have enjoyed the position of greatest favor among all livestock interests. What of the future?..Sheepmen are moderately optimistic about 1928--but yet a little doubtful....It is noteworthy that recently the larger operators have shown a tendency to favor cooperative marketing. Heretofore there has been a disposition to regard cooperative marketing as a good thing--for the small grower, the owner of the farm flock. The realization is growing that no man in the industry is too big to ignore the inevitable trend of events in the direction of effective organization....So far as the wool end of it is concerned, the big operators have been protected by the marketing organization to which they did not belong, and to which they did not contribute. When the small producers are unorganized they are a demoralizing factor on the market; organized, they hold up the market and thereby protect those who have felt themselves too 'big' to need an organization."

Spain Adopts Tariff Equality — A Madrid dispatch to the press states that tariff equality in Spain for all countries has been decreed by Premier Primo de Rivera. For this reason, the Premier has announced that a customs duty with Switzerland will be denounced and a new treaty signed similar to those concluded with other countries recently.

Section 3
MARKET QUOTATIONS

Farm Products Feb. 16. Livestock quotations at Chicago: Slaughter steers, $13.25-$16.75; cows, good and choice, $8.50-$11.50; heifers, $11.75-$13.50; vealers, $15.50-$17.50; feeder and stocker steers, $10.75-$12.25; heavy weight hogs, $7.85-$8.10; light lights, $7.25-$8.30; slaughter pigs, $6.50-$7.50; slaughter lambs, $14.60-$15.85. Feeding lambs, $14.50-$15.25.

New York and Pennsylvania Round White potatoes $2-$2.25 sacked per 100 pounds in the East; $1.95-$2 f.o.b. Rochester. Wisconsin sacked Round Whites $1.65-$1.80; $1.45-$1.55 f.o.b. Waupaca. Maine sacked Green Mountains $2.40-$2.50 in city markets; $2-$2.05 f.o.b. New York Danish type cabbage $11-$20 bulk per ton in terminal markets; mostly $7-$7.50 f.o.b. Rochester. Florida Pointed type $1.25-$1.75 per 1½ bushel hamper in the East. Texas Domestic Round Type $2.75-$3.50 per barrel crate in New York City. New York and Midwestern yellow onions ranged $2.25-$2.85 sacked per 100 pounds in consuming centers; $2.25-$2.40 f.o.b. Eastern York apples $6.50-$7.50 per barrel in a few cities. New York Baldwins $7-$7.50 in New York City; $8-$8.50 in Chicago; $7 f.o.b. Rochester. New York Rhode Island Greenings $10-$10.50 in New York City. Michigan Jonathans $9-$11 in Chicago.

Closing price of 92 score butter at New York was 44¼¢.

Closing prices of No.1 fresh American cheese at New York were: Flats 29-29½¢; Single Daisies 29¢; Young Americas 29-29½¢.

The average price of Middling spot cotton in 10 designated markets advanced 3 points to 17.68¢ per lb. March future contracts on the New York Cotton Exchange closed unchanged from yesterday, at 17.93¢, and on the New Orleans Cotton Exchange they were also unchanged at 17.80¢. On the Chicago Board of Trade March futures declined 17 points to 17.76¢.

Grain prices quoted: No.1 dark northern spring wheat at Minneapolis $1.56 5/8-$1.60 5/8. No. 2 red winter, Chicago $1.53. No.2 hard winter wheat at Chicago was $1.36; at Kansas City $1.28-$1.30. No.3 mixed corn, Chicago, 95¼-95¾¢; Minneapolis 87-89¢; Kansas City 86½-89½¢. No.3 yellow corn 97¼¢; Minneapolis 90-92¢; Kansas City 88-91¢. No.3 white oats 54½¢-57¼¢; Minneapolis 52 7/8¢-54 7/8¢; Kansas City 54-56¢. (Prepared by Bu. of Agr. Econ.)

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